

Iran students to give up control of US hostages

The Revolutionary Council in Tehran is taking over custody of the 49 American hostages held in the United States Embassy. Yesterday's offer from the students who have held them since November 4 came as a surprise. Mr Sadeq Qorbzadeh, the Foreign Minister, said, however, that the Americans were "still hostages".

Revolutionary Council accepts custody

Tehran, March 6.—Iran's Revolutionary Council will take over custody of the 49 American hostages held at the United States Embassy here since November 4. In a surprise move today the Muslim students holding the hostages offered to hand them over to the council.

Mr Sadeq Qorbzadeh, the Foreign Minister, said after a meeting of the council: "The students have sent a message saying they will abandon their guarding of the hostages. The Revolutionary Council tonight has accepted that."

Asked about the status of the American captives, he said: "They are hostages and they remain hostages." As a result of the development, he said, the Revolutionary Council would be "very happy to see them go."

The change in the position of the students, who for the past four months have said they will only release their captives in return for the Shah, came as a surprise to the Iranian authorities, political sources said.

A spokesman for the students' ruling council said tonight conditions for the handover would have to be considered.

Mr Qorbzadeh said that a government committee would be established tomorrow to decide the methods by which the hostages would be surrendered.

A student spokesman said earlier that the Iranian Revolutionary Council wanted to take over custody of the hostages if it would have to remove them from the embassy.

The spokesman said that the authorities had pressured the United Nations committee, which is investigating the Shah, to pay a humanitarian visit to the hostages.

A statement issued today by the students said they were still opposed to such a visit but were prepared to pass responsibility for the hostages to the government.

The student statement continued: "We recognize that our responsibility about the hostages is finished and we believe that the Iranian nation and the revolutionary council of the Islamic Republic will respond to the demands of the world."

However, a student spokesman gave a warning that the Revolutionary Council would have to take a decision to allow the public to see the hostages and that public opinion might be against such a decision. The students have always believed

Mr Begin treats UN move with scorn

From Christopher Walker
Jerusalem, March 6

Mr Menachem Begin, the Israeli Prime Minister, today contemptuously dismissed last week's United Nations Security Council resolution calling for the dismantling of all settlements on occupied Arab territory, including the newly-built Jewish suburbs in East Jerusalem.

In one of the bitterest speeches which he has delivered to the Knesset since the Middle East peace process began, Mr Begin said of the resolution: "Under no condition shall we accept it, or any part, sentence or paragraph of it. It is not binding upon us and we will act in accordance with our rights and essential interests in order to guarantee the future and the peace of our people in its homeland, Eretz Israel."

Coming soon after the Egyptian Government's wholehearted support for the United Nations' resolution, Mr Begin's remarks were seen by political observers as posing new difficulties for the deadlocked negotiations over Palestinian autonomy, which are due to be completed by May 26.

Ironically, Mr Saad Murrada, the new Egyptian Ambassador, was paying his first official visit to the Israeli Parliament during the speech, but he studiously avoided making any comment on it.

The Prime Minister reserved particular scorn for the demand that Israel should dismantle the string of new Jewish neighbourhoods which have been built up in East Jerusalem since the Arab sector of the city was annexed by Israel in 1967 war. He described the United Nations call as "a barbaric fantasy."

Having outlined the destruction which he alleged the Israelis had discovered when East Jerusalem was conquered after 19 years of Jordanian rule, Mr Begin declared: "Let all the members of the Security Council record that Jerusalem is one city, all of it under Israeli sovereignty, our eternal capital. There will be no partition, directly or indirectly."

Although the Prime Minister said that he accepted President Carter's explanation that America had voted for the United Nations resolution by mistake, he went on to criticise other aspects of the American position in the Security Council.

Mr Begin asserted that a mix-up over references to Jerusalem in the text did not explain American support for the resolution which were contrary to the Camp David agreement.

"Therefore I say, with all due respect, that the support of the American representatives for this terrible resolution aroused deep resentment within our nation."

US reaction: The New York Times began its comment on Mr Carter's odd behaviour towards the Security Council resolution with the observation: "Somewhere, maybe, there is someone who believes that the United States Government would cast a precedent-shattering vote against Israel at the United Nations, in an election year, without having read and re-read and re-read the language of the resolution."

The Washington Post and the Washington Star today both compare the President to the grand old Duke of York. The latter observes that the official explanation "could, of course, be true" and goes on to say "if it would be easier to credit it this ghastly mix-up did not fit a familiar pattern of uncertainty, indecisiveness and vacillation in all sorts of critical diplomatic matters."



Zimbabwe smiles: Weeks of frosty relations dissolved when Mr Robert Mugabe, the Zimbabwe Prime Minister designate, met Lord Soames, the Governor in Salisbury yesterday. During their talks, Mr Mugabe asked Lord Soames to begin initiatives to bring Zimbabwe into the Commonwealth.

Mr Mugabe also sought agreement

from the Governor on the dismantling of the long-standing security measures and found there was no debate—the security force began to stand down yesterday. There will be no more national service for the time being and the reservists are starting to return to work.

The curfew in rural areas ends and with the exception of areas around

vital installations, martial law will be rescinded. Mr Mugabe was also involved in discussions with military leaders on the further integration of the country's armed forces.

One of the new Governments first acts, however, will be to disband the controversial auxiliary force of 26,000, loyal to Bishop Abel Muzorewa.

Shell trebles profits to a record £3,051m

By Ronald Pullen
The clearing banks in Britain and the leading United States oil companies have gone to great lengths to explain that their huge profit increases in 1979 have not been at the expense of the domestic consumer.

Shell did likewise yesterday pointing out that the improvement in earnings was not due simply to passing on higher Opec crude oil prices to the consumer.

Its net income was boosted by £1,120m, compared with a reduction of £145m the year before, because of the way it values its oil stocks on a first-in-first-out basis. With most oil prices based in dollars, the

strength of sterling also added another £107m to profits against a loss of £108m last time. Taking these factors into account, Shell says that net income rose only 31 per cent to £1,755m.

Shell also argues that it is having to cope with heavy financial demands. Higher oil prices and reduced credit terms from Opec producers pushed up working capital by £1,134m and capital and exploration spending amounted to £4,426m last year.

After several difficult years, Shell is doing much better out of its oil marketing businesses, with chemicals in particular. The group has also managed

to make price increases stick in other areas leading to an all-round improvement in product margins despite an overall 3 per cent decline in sales outside North America.

In the City, Shell shares dropped 8p to 402p on the profit announcement. The shares have been seen as a strong market in recent days largely because they have been left out of the recent speculative surge in oil shares generally.

In the absence of further crude oil price rises this year, Shell profits are expected to decline by about a third in 1980 because of the absence of stock

School Bill moves to avoid defeat

By George Clark
Political Correspondent

In an attempt to stave off defeat in the House of Lords, the Government has tabled amendments to clauses dealing with school transport in the Education (No 2) Bill.

The Duke of Norfolk, the premier earl, with the support of about 40 Roman Catholic and cross-bench peers and the full weight of the Opposition will attempt next week to delete entirely the clause imposing charges for school transport.

Government business managers in the Lords had reported to the Cabinet that there was a serious possibility of a Government defeat if changes were not offered. The amendments will have the effect of limiting the number of children in a family that an education authority can charge when providing transport to and from school.

This will apply to children who attend schools beyond the statutory walking distances from their homes—two miles for those under eight, and three miles for those who are eight and over.

Continued on page 2, col 3

£250,000 appeal for heart transplants

The National Heart Transplant Fund launched a public appeal for £250,000 which it pledges to commit to heart transplants. The fund has already given £50,000 to Papworth Hospital, Cambridge, where six transplants have been carried out. But the hospital's area

36 arrested as police clash with pickets

From Tim Jones
Cardiff

Mr John Woodcock, Chief Constable of the South Wales Constabulary, said yesterday there were indications that some pickets are determined to break the law irrespective of the consequences.

His comments came after an angry day on the steel picket lines in the area in which one policeman was badly injured and 36 pickets were arrested.

The pickets were strongly challenged by senior officials of the Iron and Steel Trades Confederation who claimed the police behaviour was "disgusting and puerile."

Mr John Foley, divisional officer of the union, said they would make an official complaint today about "the excessive use of force" by the police.

In his statement Mr Woodcock said: "Up to now things

have been very reasonable but indications of the last few days are that the mood of the workers is changing, caused no doubt by frustrations."

At Swansea, Police Constable John Davies had his pelvis fractured as violence erupted when the driver of an empty articulated lorry attempted to enter the Gwerton iron and steel works.

Two other policemen and a picket were also injured. Six pickets were arrested.

Sixty miles away at Newport, 30 pickets were arrested mainly for obstruction after tempers became heated when six lorry drivers inside the GKN steel stockholders told police they were being prevented from leaving with their vehicles.

Eighty men have now been arrested outside the plant since the dispute began.

Other steel news, page 2

Finest treasure of the century found in Ireland

From Our Correspondent
Dublin

A chalice, similar to the magnificent Ardagh chalice, and a number of gold, silver, and bronze objects have been found at an undisclosed site in the north of Ireland. The find is being regarded as the most significant Irish archaeological and historical find of the century.

The Irish Government said yesterday that the treasure dates from the eighth century AD and consists of a chalice, a strainer, a large tray or paten, together with its stand or base, and a large bronze basin which has protected the objects in the ground.

The find was made about two weeks ago by a man, believed to be an Englishman, with a metal detector.

The collection has been described by Mr Brendan O'Riordan, director of the National Museum of Ireland as a "treasure of Ireland". Mr Charles Haughey, Prime Minister of the Irish Republic, went to see the collection yesterday, and it will be on view to the public at the museum in Dublin for a limited period from today.

All the objects require sophisticated conservation, a process which is estimated will take at least a year. The treasure will be carried out in the British Museum in London.

The location of the find is being kept secret because of the fear that treasure hunters would damage it. Further excavations are in take place at the site to establish the archaeological context of the find.

Mr O'Riordan yesterday described the chalice as similar to the Ardagh chalice which has been listed as the most beautiful chalice in the world. "We are very, very pleased with the find,"

We would hope that the Irish soil would give up more of its treasures. This find certainly gives archaeologists, historians and those interested in the past some hope for future finds. He was particularly pleased, he said, with the discovery of the paten as this was none with the Ardagh chalice.

The newly-found chalice is decorated with panels of gold filigree and amber settings. Extensive areas of its surface are gilt. The handles and their decorative escutcheons are especially elegantly ornamented.

A band of panels of gold filigree and amber surrounds the bowl of the chalice immediately below the rim. The underside of the base is also decorated.

The strainer is made of gilt bronze and is in the form of a ladle. The paten is a large circular plate or tray of complex construction and it has suffered more than the other objects from the passage of time. The stand of the paten is a circular band, the outer surface of which is elaborately decorated with interlaced designs and magnificent rectangular glass settings with silver grilles. The basin which had covered the finds in the earth is made of beaten bronze; it is undecorated and in an advanced state of deterioration.

The Government said that the new discovery added significantly to knowledge in the Irish metalworking in the eighth century. Preliminary examination suggested that the objects were not made at the same time and that the strainer and paten were somewhat earlier than the chalice which was either late eighth or early ninth century. The date at which the objects were concealed is not yet known.



Prime Minister examines the golden chalice.

Pension fund art going on show

The National Gallery has received on loan from the British Rail Superannuation Fund a painting by the eighteenth-century French artist Jean-Baptiste Chardin. It is the second picture lent to the gallery by the fund.

Commuters' burden: Tax allowances and early morning cheap fares advocated to halt decline of transport services in big cities.

Leader page, 17
Letters: On school bus fares, from the Bishop of Peterborough, and Lord Ridley; BBC music cuts, from the general secretary of the Musicians' Union, and others; views of industry, from Professor T. M. Husband.

Leading articles: Channel tunnel; BBC cuts; Commonwealth soldiers in Rhodesia.

Features, pages 10, 16
Richard Wigg concludes his survey of Indian rural life; Alan Clark on the protectionist argument.

Arts, page 9
David Robinson on new films to London; Michael Ratcliffe on Open Secret (BBC); Ned Chait on The Case of David Anderson QC, in Manchester (Covent Garden); Irving Wurtzel on Accidental Death of an Anarchist (Wyndham's Theatre).

Sport, pages 13, 14
Cricket: Changes to county cham-

Industrial action hits 25 prisons

Industrial action by prison officers is affecting 25 establishments, among them five top security jails. Discontent centres on frustration at overcrowding in too many old buildings and disputes over pay for meal breaks.

Luxembourg: A three-page Special Report on the smallest member of the European Community.

Classified advertisements: Personal, pages 29, 30; Appointments, 11, 12; Holidays and hotels, 12; Car buyers' guide, 11.

Obituary, page 19
Mr J. E. Raven, Prof J. A. Gallagher, Mr T. Firth, Mr G. Paget, Jay Silverheels.

Business News, pages 23-28
Stock markets: Glits encountered profit, taking after Wednesday's rally while equities remained dull. The FT Index closed 2.4 down at 458.0.

Financial Editor: Sterling takes the strain; "Shell" beneath the stock profits.
Business features: Kenneth Owen on planning a plutonium economy; David Blake on Government difficulties in curbing spending.
Business Diary: Estate agents welcome Iran's exiles.

Help the people who are helping others in Britain and all over the world

Only one aid organisation is recognised and allowed to operate all over the world. The Red Cross.

You probably know something of its work in war zones and in the aftermath of natural disasters. But do you realise that every day, all over Britain, Red Cross members are carrying out routine work in hundreds of different first-aid, nursing and associated welfare roles? This vital work, much of which state agencies cannot perform, is a contribution to the community which is perhaps taken for granted—except by those who benefit.

All this work is done by volunteers who give freely of their time. All of it depends on legacies and donations from the public.

Please consider making provision for the Red Cross in your will. Because, quite simply, a bequest to the Red Cross is a bequest to humanity.

The Red Cross

British Red Cross Society,
9 Grosvenor Crescent, London SW1X 7EJ.

To D. E. Barson, Director General. Please send me details of the Society's work, with information on the tax advantages to U.K. residents of a bequest to charity.

Name _____
Address _____

Home News	2-4	Engagements	19	Science	19
European News	4, 6	Features	10, 15	Snow reports	13
Overseas News	6, 7	Law Report	10	Sport	13, 14
Appointments	19, 26	Letters	37, 24	TV & Radio	29
Arts	9	Motoring	11	Theatres, etc	8, 9
Business	23, 28	Obituary	19	25 Years Ago	8
Count	19	Parliament	8	Universities	2
Crossword	30	Premium Bonds	8	Weather	19
Diary	16	Safe Room	19	Wills	19

HOME NEWS

£250,000 public appeal for new heart transplants gives boost to hospitals' future programmes

By Frances Gibb

The future of heart transplants in Britain was given new hope yesterday after the National Heart Research Fund launched a public appeal for £250,000 for the operation.

The fund, a charitable trust based at Lytham St Anne's, has already given £50,000 to Papworth Hospital, Cambridge, where six heart transplant operations have been carried out. The hospital's area health authority has said there will have to be more money for more transplants, and the fund has decided to extend their appeal for funds nationally.

No hospitals have been mentioned, but Papworth is likely to be a beneficiary. It is also possible that one of several other hospitals specialising in cardio-thoracic surgery might benefit.

Although the National Health Service paid for the first two transplants at Papworth, no more money from local or central government is likely to be forthcoming.

Cambridge area health authority has already but before the regional health authority a programme for eight further heart transplants, which cost £157,000 at £19,625 per patient, with patients staying in for 90 days.

Of this, £125,000 is the additional cost (on top of ordinary hospital costs) arising purely from the heart transplant, making a cost for each patient of about £15,000.

So far transplants at Papworth have cost about £5,000 each. In future they are likely to cost more because no extra facilities have been employed.

There is about £12,000 left, after paying the salaries of two laboratory technicians, of the National Heart Research Fund money.

Mr James Cottam, of the area health authority, said: "We do not know if any of this new money would come to us. But if the Government agrees our programme, if Papworth is approved as a heart transplant centre and if we are offered the money, we would, of course, be very pleased."

Grants by the National Heart Research Fund amount to £150,000 a year, which it hopes to maintain as well as funding heart transplants.

Killingbeck Hospital, Leeds, yesterday denied strongly that it was a possible beneficiary of heart transplant funds. No request for funds had been made and none had been offered.

The Government had discouraged any new hospital from starting heart transplant programmes and the hospital would not move from that policy unless there was a change of direction at national level.

Mr Kenneth Morgan, director of the Press Council, said last night that he and the donor's father, Mr George Morris, had formally complained to the Press Council. No such complaints had yet been received.

The main sticking point has been differences between the unions and the department on evaluation of wage benefits enjoyed by employees in private industry with whom civil servants are compared. When agreement is reached on their value the amount is deducted from the figures produced from the pay review.

The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Afterwards, Councillor Loft-house said: "It has been a most traumatic experience. He said he intended to carry on in public life."

Mr Barrett, who lives at Little Poulton Lane, Poulton-le-Fylde, said that his solicitor had instructed him not to say anything about the case.

Mr Barrett was the first to come before the courts during the course of nearly four years of three successive inquiries into alleged corruption in Blackpool and surrounding areas of Lancashire, where the investigations began in July, 1976.

Then a Blackpool police officer, Det. Sergeant Harry Roby made a formal complaint against Mr Stanley Parr, then Chief Constable of Lancashire, during a routine inspection of the force.

That led to the Lancashire police committee, of which Mr Loft-house was then chairman, asking Sir Douglas Osmond, Chief Constable of Hampshire, to conduct an inquiry into "certain matters within the personal jurisdiction of the chief constable."

Sir Douglas and officers from his own force spent about two months on the inquiry and sent a report to county hall at Preston, and a copy to the Director of Public Prosecutions.

That report appeared in full in the *Lancashire Evening Post* in February, 1977, and the newspaper was criticized as irresponsible by Mr Loft-house. A complaint made by his police committee to the Press Council was rejected.

In 1977 a tribunal headed by Mr Patrick Bennett, QC, considered a total of 37 disciplinary charges against Mr Parr and found proven 24 of them, including discreditable conduct and two allegations of falsification.

In April, 1978, Mr Merlyd Rees, then Home Secretary, announced in the Commons that the Director of Public Prosecutions had decided that "further and wider" police inquiries were necessary and this work was undertaken by Mr Peter Imbert (then deputy Chief Constable of Surrey, now Chief Constable of Thames Valley).

Summons were issued against Mr Loft-house and Mr Barrett last year, and Mr Imbert's team completed its inquiries two months ago, having submitted a number of lengthy dossiers to the DPP.

Whitehall union urges action over pay

By David Felton

Labour Reporter

The second largest Civil Service union is recommending its 105,000 members to take industrial action over the Government's "intrusiveness" in pay negotiations.

Ministers discussed Civil Service pay at yesterday's Cabinet meeting, but no decision was reached on the cash limit to be set for increases and Whitehall sources said that it was unlikely that an announcement would be made next week.

The executive of the Society of Civil and Public Servants held an emergency meeting yesterday and decided to "propose that industrial action should be taken" and to ask members to decide on the issue at meetings next week.

Leaders of unions throughout the Civil Service are worried that the Government will impose a cash limit of about 14 per cent for pay rises, compared with the 18 per cent to 20 per cent increases which are suggested by evidence from the independent Pay Research Unit.

The society said last night: "The executive is going for contingent authority to take action. We are saying that we think the situation has come to the point where we have got to make clear to ourselves and other people that we are going to take action unless there are improvements in negotiations over the next week or so."

Union negotiators claim that the pay talks with the Civil Service Department have virtually come to a halt because of the department's reluctance to negotiate in view of the imminence of a cash limit announcement.

The main sticking point has been differences between the unions and the department on evaluation of wage benefits enjoyed by employees in private industry with whom civil servants are compared. When agreement is reached on their value the amount is deducted from the figures produced from the pay review.

The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Afterwards, Councillor Loft-house said: "It has been a most traumatic experience. He said he intended to carry on in public life."

Mr Barrett, who lives at Little Poulton Lane, Poulton-le-Fylde, said that his solicitor had instructed him not to say anything about the case.

Mr Barrett was the first to come before the courts during the course of nearly four years of three successive inquiries into alleged corruption in Blackpool and surrounding areas of Lancashire, where the investigations began in July, 1976.

Then a Blackpool police officer, Det. Sergeant Harry Roby made a formal complaint against Mr Stanley Parr, then Chief Constable of Lancashire, during a routine inspection of the force.

That led to the Lancashire police committee, of which Mr Loft-house was then chairman, asking Sir Douglas Osmond, Chief Constable of Hampshire, to conduct an inquiry into "certain matters within the personal jurisdiction of the chief constable."

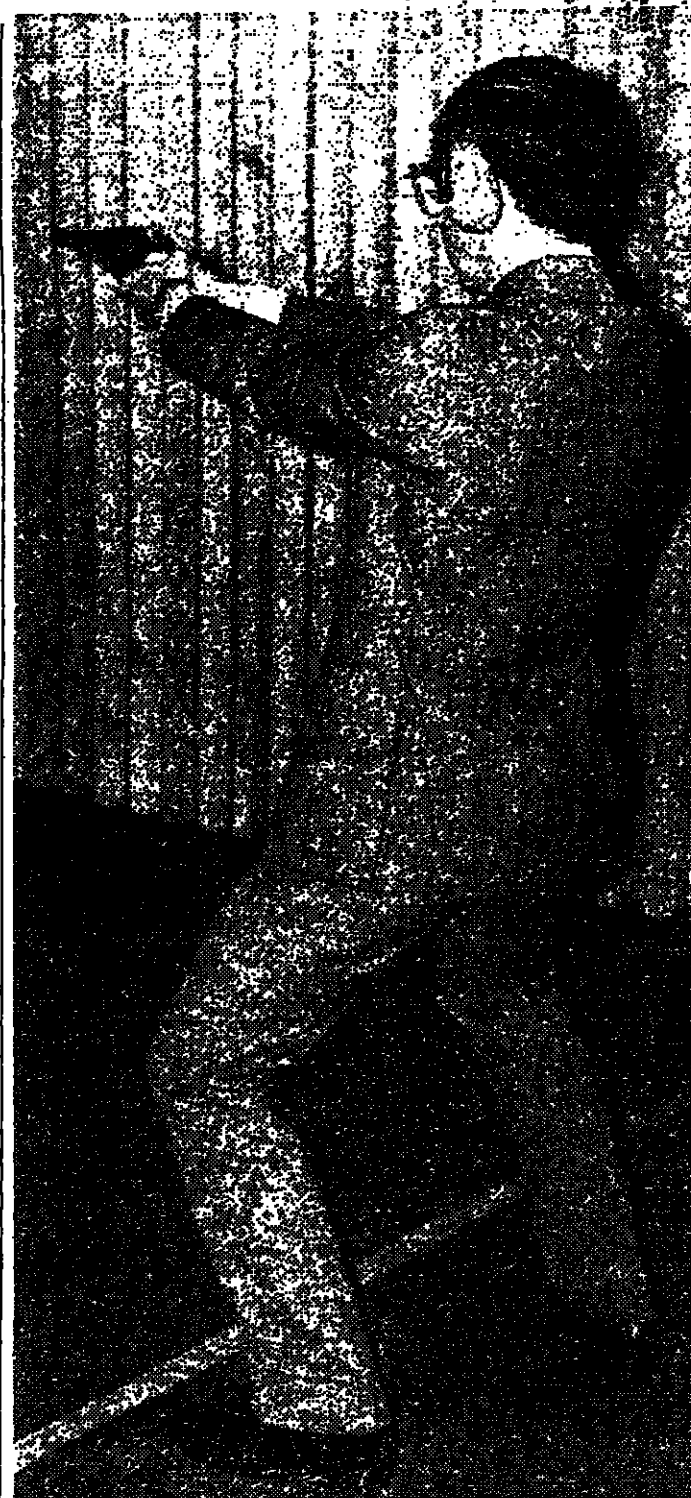
Sir Douglas and officers from his own force spent about two months on the inquiry and sent a report to county hall at Preston, and a copy to the Director of Public Prosecutions.

That report appeared in full in the *Lancashire Evening Post* in February, 1977, and the newspaper was criticized as irresponsible by Mr Loft-house. A complaint made by his police committee to the Press Council was rejected.

In 1977 a tribunal headed by Mr Patrick Bennett, QC, considered a total of 37 disciplinary charges against Mr Parr and found proven 24 of them, including discreditable conduct and two allegations of falsification.

In April, 1978, Mr Merlyd Rees, then Home Secretary, announced in the Commons that the Director of Public Prosecutions had decided that "further and wider" police inquiries were necessary and this work was undertaken by Mr Peter Imbert (then deputy Chief Constable of Surrey, now Chief Constable of Thames Valley).

Summons were issued against Mr Loft-house and Mr Barrett last year, and Mr Imbert's team completed its inquiries two months ago, having submitted a number of lengthy dossiers to the DPP.



The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Negotiations on steel to reopen on Monday

By Paul Routledge

Labour Editor

An early end to the national steel strike was more in prospect last night than at any time since the British Steel Corporation was closed by industrial action nearly ten weeks ago.

Steel union leaders who have drawn up a new peace initiative are to reopen serious negotiations with the corporation on Monday. An agreed draft settlement drawn up by all 13 unions in the industry and which does not contain a specific pay aspiration will be on the table, but it is understood to be negotiable within a 14 to 18 per cent range of increases, dependent upon the scale of consequential job reductions demanded by the corporation.

The talks will take place as British Steel announces the result of the first secret ballot of workers mounted by a state employer since the railwaymen's vote of 1973 and the failure of British Rail and the Government.

The few indications there are of the progress of the ballot suggest that it will fail to provide the alleged majority sought by the corporation.

Mr William Sims, general secretary of the main union in the dispute, the Iron and Steel Trades Confederation, said yesterday: "I trust that the new draft agreement agreed by all steel unions will be treated with care."

"If progress is not made on Monday, if British Steel shows the same level of incompetence, the unions will have no option but to call jointly for an urgent and wide-ranging inquiry into the management."

Union negotiators are looking for a formula that allows discussions at local or manpower cuts rather than firm commitment that the corporation will concede managerial freedom to impose lower manpower levels on the steelworks.

The gap between the sides was re-emphasised by a television confrontation between Mr Sims and Charles Villiers, chairman of British Steel on Thames television. Mr Sims argued there was only a monetary gap between the union's proposal and the corporation's last offer, but Charles reiterated the corporation's insistence on getting agreement that would be a fundamental change to industry's working practice.

"Unless we get that, we are going to be costing public £1bn a year for in ment and losses", he said, "cannot go on making steel no one will buy."

The gap between the sides shows in the words of the draft agreement. A British Steel wants to use word "must", the unions pose "may", and where British Steel prefers "commit", unions offer only "agree."

This is the kind of difference that has kept the night as the basis of the unions' "right rip-off" January, 1976, agreement signed to reduce manning and which never worked.

The unions may be pre-occupied with the work of industry's future manpower requirements to a far more arduous task than the solution of Monday's talks is to reach a solution.

But an internal BSC memorandum leaked yesterday appears to provide some of the allegations levelled by the unions against the corporation.

In a radio interview Mr Sims claimed that the strike was being down industry and the CBI was involved in a conspiracy of silence.

"It is not being public because of the Government's endeavour to break the union movement."

Mr Bryan Rigby, director general of the said that it would be impossible for the CBI to involve its a conspiracy of silence it was impossible for comp to conceal whether people at work or not.

However, the BSC last confirmed the authenticity of an internal memorandum. Mr William Richardson, senior member of the corporation's sales team, to Mr Go Sambrook, the BSC's chief managing director.

The document, dated 28th, noted that a sub-committee of the corporation had shown 46 had closed down or about to close, a further 25 sufficient stocks to last only between one and two weeks.

Newspaper denies phoning donor's family

Mr Louis Kirby, editor of the *Evening News*, yesterday denied a claim by an MP in the House of Commons that his newspaper had telephoned the family of a girl heart donor even though they had requested anonymity.

Mr John Farr, Conservative MP for Harborough, made the allegation on Wednesday when he introduced a Bill to protect the anonymity of donors of human organs. He cited the case of Carol Morris, aged 16, a Leicester girl killed in a motorcycle accident, whose heart was received by Mr Nigel Olney, aged 35, of Leighton Buzzard, Bedfordshire, and alleged her family had undergone "persecution in the media."

Mr Kirby said that at no time on the day the operation was announced was the *Evening News* aware of the donor's identity. No staff member telephoned Miss Morris's family, and no one was instructed to act on its behalf to make such a call.

No mention of the donor's identity was made in the *Evening News* until after it had already been reported in the morning papers, Mr Kirby said.

The Press Council is to investigate newspaper coverage and conduct in the case in view of the serious public interest it had aroused.

Mr Kenneth Morgan, director of the Press Council, said last night that Mr Farr told the House that he and the donor's father, Mr George Morris, had formally complained to the Press Council. No such complaints had yet been received.

The main sticking point has been differences between the unions and the department on evaluation of wage benefits enjoyed by employees in private industry with whom civil servants are compared. When agreement is reached on their value the amount is deducted from the figures produced from the pay review.

The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Afterwards, Councillor Loft-house said: "It has been a most traumatic experience. He said he intended to carry on in public life."

Mr Barrett, who lives at Little Poulton Lane, Poulton-le-Fylde, said that his solicitor had instructed him not to say anything about the case.

Mr Barrett was the first to come before the courts during the course of nearly four years of three successive inquiries into alleged corruption in Blackpool and surrounding areas of Lancashire, where the investigations began in July, 1976.

Then a Blackpool police officer, Det. Sergeant Harry Roby made a formal complaint against Mr Stanley Parr, then Chief Constable of Lancashire, during a routine inspection of the force.

That led to the Lancashire police committee, of which Mr Loft-house was then chairman, asking Sir Douglas Osmond, Chief Constable of Hampshire, to conduct an inquiry into "certain matters within the personal jurisdiction of the chief constable."

Sir Douglas and officers from his own force spent about two months on the inquiry and sent a report to county hall at Preston, and a copy to the Director of Public Prosecutions.

That report appeared in full in the *Lancashire Evening Post* in February, 1977, and the newspaper was criticized as irresponsible by Mr Loft-house. A complaint made by his police committee to the Press Council was rejected.

In 1977 a tribunal headed by Mr Patrick Bennett, QC, considered a total of 37 disciplinary charges against Mr Parr and found proven 24 of them, including discreditable conduct and two allegations of falsification.

In April, 1978, Mr Merlyd Rees, then Home Secretary, announced in the Commons that the Director of Public Prosecutions had decided that "further and wider" police inquiries were necessary and this work was undertaken by Mr Peter Imbert (then deputy Chief Constable of Surrey, now Chief Constable of Thames Valley).

Summons were issued against Mr Loft-house and Mr Barrett last year, and Mr Imbert's team completed its inquiries two months ago, having submitted a number of lengthy dossiers to the DPP.

The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Afterwards, Councillor Loft-house said: "It has been a most traumatic experience. He said he intended to carry on in public life."

Mr Barrett, who lives at Little Poulton Lane, Poulton-le-Fylde, said that his solicitor had instructed him not to say anything about the case.

Mr Barrett was the first to come before the courts during the course of nearly four years of three successive inquiries into alleged corruption in Blackpool and surrounding areas of Lancashire, where the investigations began in July, 1976.

Then a Blackpool police officer, Det. Sergeant Harry Roby made a formal complaint against Mr Stanley Parr, then Chief Constable of Lancashire, during a routine inspection of the force.

Rippon call for local authority Bill to go

By George Clark

Political Correspondent

Conservative backbench re- sistent against the Local Government, Planning and Land Bill showed itself again in the House of Commons yesterday afternoon after the standing committee proceedings of the Bill had been brought to premature conclusion in the morning.

Mr James Callaghan, Opposition leader, thought it amazing that progress on the Bill—the committee had just reached clause 29—should be halted because the Minister of State for Local Government and Environment Services, Mr Tom King, could not say definitely that the clauses on the rate support grant and other financial matters would remain in the Bill.

Members of the committee, including Mr Roy Hattersley, who is leading the Opposition, knew that Mr Michael Haselton, the Secretary of State for the Environment, is still engaged in discussions with the local authority associations, who are opposed to the Government's proposals.

Labour MPs suspected that the Government did not want to proceed because they were hoping to reach agreement with the local authority associations in time for an announcement by Mr King when he addresses the Conservative Party's local government conference in Caxton Hall, Westminster, tomorrow.

Under pressure from Labour MPs, Mr Norman St John-Stevens, Leader of the House, said it was reasonable for the minister to ask for the adjournment of the committee.

He gave an undertaking that the first people to be told when the decision was made about local government finance would be members of the Commons, provided the House was sitting.

That seemed to allow a King-hole that would enable Mr King to make the Government's revised proposals known first to the party conference. Then Mr Geoffrey Rippon, QC, MP for Hexham, and a former Secretary of State for the Environment, weighed in with a blockbuster of a question.

He asked the Government to consider again withdrawing the Bill completely, "bearing in mind that the financial provisions, as now drafted, are unworkable and are now the subject of further discussion with the local authorities; that the planning provisions are inadequate and ought to be in a separate Bill; and that the provisions relating to the Urban Development Corporation manifestly ought to be in a hybrid Bill and are an example of what the Lord Chancellor described once as 'an elective dictatorship'."

Reference to "hybridity" set ears ringing because it was that principle, found in the ship-building nationalization measure introduced by the last Labour government, which ended in the ship-repairing sections of the Bill being dropped.

When a Bill is declared "hybrid" the Private Bill procedure has to be adopted, said the Duke of Norfolk was not content with the latest concession: "I am disappointed it does not go the whole way", he said in an independent television interview.

Ministers were surprised by his reaction. Rarely does the Earl Marshal, who has the chief role at state ceremonies, enter into political in-fighting, but on this occasion he has in- sisted that he is deeply concerned about the effect of the Government's charging proposals on denominational schools and on families living in rural areas.

He said that he would move his amendment as planned. It is possible, judging by reactions among peers, that some members of the House might have supported him with vigour, but the vote will still be a "very close run thing."

Opposition peers will be out in full strength to support the duke.

seriously prejudiced the interests of the society, but there are very many people who are prepared to support me in my fight against the union decision", said Mr Taylor, who is aged 26, and works in the military's manpower planning division.

He said that the circular was received after "a bitter pay dispute" which his members were prepared to support at the time. He said that the circular was received after "a bitter pay dispute" which his members were prepared to support at the time.

A union spokesman said last night: "There is no question of expulsion from the union being raised. The matter is being dealt with in strict accordance with the society's rules and constitution. Any further comment would be prejudicial to these members receiving a fair hearing."

The Government had already survived one Conservative revolt in the Commons by offering a concession. Now it can claim that in giving education authorities the power to charge for school transport it is providing four important safeguards for families.

Education authorities will be able to operate only on flat rates of charge that are not related to the length of journeys or the type of school attended.

They will have to charge the same rate whether the school attended is nearest to the child's home.

Not more than two children in a family can be charged.

Children travelling free will continue to do so if their parents are in receipt of supplementary benefit or family income supplement.

The Duke of Norfolk was not content with the latest concession: "I am disappointed it does not go the whole way", he said in an independent television interview.

Councillor cleared of corruption

From Our Correspondent

Preston

After a retirement of nearly seven hours at Preston Cor- poration, Lancashire, yesterday a jury of six men and six women found Frank Loft-house, aged 53, former chairman of Lancashire police authority, not guilty of corruption.

Mr Loft-house's co-accused, Michael Barrett, aged 46, builder, was also cleared of an allegation in connexion with a house purchased by Mr Loft-house when chairman of the planning committee of the old Poulton-le-Fylde Urban District Council. Mr Justice Maise charged them both.

The first summons against Mr Loft-house alleged in 1972 while a member of the planning committee or agreed to receive a reward for the sale of a detached house at a price substantially under market value, for showing favour to a planning application by Neteby Properties Ltd.

The second summons related to the house in Thornton, which was sold to a detached house at a price substantially under market value, for showing favour to a planning application by Neteby Properties Ltd.

Mr Loft-house was then chairman, asking Sir Douglas Osmond, Chief Constable of Hampshire, to conduct an inquiry into "certain matters within the personal jurisdiction of the chief constable."

Sir Douglas and officers from his own force spent about two months on the inquiry and sent a report to county hall at Preston, and a copy to the Director of Public Prosecutions.

That report appeared in full in the *Lancashire Evening Post* in February, 1977, and the newspaper was criticized as irresponsible by Mr Loft-house. A complaint made by his police committee to the Press Council was rejected.

In 1977 a tribunal headed by Mr Patrick Bennett, QC, considered a total of 37 disciplinary charges against Mr Parr and found proven 24 of them, including discreditable conduct and two allegations of falsification.

In April, 1978, Mr Merlyd Rees, then Home Secretary, announced in the Commons that the Director of Public Prosecutions had decided that "further and wider" police inquiries were necessary and this work was undertaken by Mr Peter Imbert (then deputy Chief Constable of Surrey, now Chief Constable of Thames Valley).

Summons were issued against Mr Loft-house and Mr Barrett last year, and Mr Imbert's team completed its inquiries two months ago, having submitted a number of lengthy dossiers to the DPP.

The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Afterwards, Councillor Loft-house said: "It has been a most traumatic experience. He said he intended to carry on in public life."

Mr Barrett, who lives at Little Poulton Lane, Poulton-le-Fylde, said that his solicitor had instructed him not to say anything about the case.

Mr Barrett was the first to come before the courts during the course of nearly four years of three successive inquiries into alleged corruption in Blackpool and surrounding areas of Lancashire, where the investigations began in July, 1976.

Then a Blackpool police officer, Det. Sergeant Harry Roby made a formal complaint against Mr Stanley Parr, then Chief Constable of Lancashire, during a routine inspection of the force.

That led to the Lancashire police committee, of which Mr Loft-house was then chairman, asking Sir Douglas Osmond, Chief Constable of Hampshire, to conduct an inquiry into "certain matters within the personal jurisdiction of the chief constable."

Sir Douglas and officers from his own force spent about two months on the inquiry and sent a report to county hall at Preston, and a copy to the Director of Public Prosecutions.

That report appeared in full in the *Lancashire Evening Post* in February, 1977, and the newspaper was criticized as irresponsible by Mr Loft-house. A complaint made by his police committee to the Press Council was rejected.

In 1977 a tribunal headed by Mr Patrick Bennett, QC, considered a total of 37 disciplinary charges against Mr Parr and found proven 24 of them, including discreditable conduct and two allegations of falsification.

In April, 1978, Mr Merlyd Rees, then Home Secretary, announced in the Commons that the Director of Public Prosecutions had decided that "further and wider" police inquiries were necessary and this work was undertaken by Mr Peter Imbert (then deputy Chief Constable of Surrey, now Chief Constable of Thames Valley).

Summons were issued against Mr Loft-house and Mr Barrett last year, and Mr Imbert's team completed its inquiries two months ago, having submitted a number of lengthy dossiers to the DPP.

The Prince of Wales trying his hand on the firing range after opening the new Croydon police station yesterday.

Afterwards, Councillor Loft-house said: "It has been a most traumatic experience. He said he intended to carry on in public life."

Mr Barrett, who lives at Little Poulton Lane, Poulton-le-Fylde, said that his solicitor had instructed him not to say anything about the case.

Minister closes loophole in Housing Bill

By Our Local Government

Correspondent

The Government yesterday closed a loophole in the Housing Bill that might have precluded the right of tenants to buy their council house if the council transferred their home to a housing association.

Since the right of tenants to buy their homes is fundamental to the Bill, the Government is concerned that technicalities should not deprive them of that right.

Mr John Stanley, Minister for Housing and Construction, said yesterday, in answer to a parliamentary question, that a general consent allowed councils to sell council houses in general improvement areas, housing action areas and priority neighbourhoods to registered housing associations.

He said that under the Bill tenants of housing associations, which were charities, would not have the right to buy.

seriously prejudiced the interests of the society, but there are very many people who are prepared to support me in my fight against the union decision", said Mr Taylor, who is aged 26, and works in the military's manpower planning division.

He said that the circular was received after "a bitter pay dispute" which his members were prepared to support at the time. He said that the circular was received after "a bitter pay dispute" which his members were prepared to support at the time.

A union spokesman said last night: "There is no question of expulsion from the union being raised. The matter is being dealt with in strict accordance with the society's rules and constitution. Any further comment would be prejudicial to these members receiving a fair hearing."

The Government had already survived one Conservative revolt in the Commons by offering a concession. Now it can claim that in giving education authorities the power to charge for school transport it is providing four important safeguards for families.

Education authorities will be able to operate only on flat rates of charge that are not related to the length of journeys or the type of school attended.

They will have to charge the same rate whether the school attended is nearest to the child's home.

Not more than two children in a family can be charged.

Children travelling free will continue to do so if their parents are in receipt of supplementary benefit or family income supplement.

The Duke of Norfolk was not content with the latest concession: "I am disappointed it does not go the whole way", he said in an independent television interview.

Ministers were surprised by his reaction. Rarely does the Earl Marshal, who has the chief role at state ceremonies, enter into political in-fighting, but on this occasion he has insisted that he is deeply concerned about the effect of the Government's charging proposals on denominational schools and on families living in rural areas.

He said that he would move his amendment as planned. It is possible, judging by reactions among peers, that some members of the House might have supported him with vigour, but the vote will still be a "very close run thing."

Opposition peers will be out in full strength to support the duke.

seriously prejudiced the interests of the society, but there are very many people who are prepared to support me in my fight against the union decision", said Mr Taylor, who is aged 26, and works in the military's manpower planning division.

He said that the circular was received after "a bitter pay dispute" which his members were prepared to support at the time. He said that the circular was received after "a bitter pay dispute" which his members were prepared to support at the time.

Weather forecast and recordings

NOON TODAY Pressure is shown in millibars

FRONTS Warm Cold Occluded

HOME NEWS

Tax allowances for commuters and early morning cheap fares advocated to halt decline of services

By David Nicholson-Lord

The British commuter is generally worse off than his counterpart abroad. He pays higher fares, receives less subsidy from the taxpayer and does not like many of his continental fellows, quality for tax relief on travel costs.

These are among the main criticisms of a 14-month inquiry into the plight of the "captive traveller", the individual dependent on public transport to reach his place of employment, by the City of Westminster Chamber of Commerce.

The report, which is being sent to the Treasury and other ministries as well as many MPs, calls for the introduction of a "tax relief" for commuting. Basic rate relief on travelling expenses over £100 a year, with a maximum allowance of £300, would "enable the commuter to pay for his journey out of his own pocket", it says.

Based on international comparisons and a national survey of 17,000 commuters in five cities (London, Glasgow, Manchester, Birmingham and Newcastle), the inquiry concludes that the steps are taken to relieve the burden on commuters, more of them will give up the unequal struggle and the decline of both city centres and public transport will continue.

At the same time, it points out, about two-thirds of central London job vacancies are for young people, aged 19 and under, whose most vulnerable time is when they are taking on a new job. Several have a day travelling of over 14 hours, and some are

dirty conditions, at a price that is becoming more and more difficult to afford.

It adds: "A wholesale exodus by commercial organizations would leave a burden of sustenance upon the domestic taxpayer of unbearable proportions. The public transport system has no future if passengers are lost in great numbers and we believe that there is presently a risk that this will happen on an increasing scale."

The report also recommends changes in the fare structure, with reductions for under-16s and for early-morning travellers who arrive at their destinations before 8 a.m. and proposes representation of commuters on the main and regional boards of British Rail and the board of London Transport.

A final recommendation is for the introduction of "British transport discount certificates" which could be bought at stations and other travel points and would rank as payment on a season ticket. Holdings above a certain amount, £50 for example, would qualify for a season ticket discount and certificates held for three years would qualify for a tax-free bonus.

Describing the proposals as "simple and practical", Mr Robert Stevens, vice-chairman of the chamber and chairman of the working party that produced the report, said: "The easiest thing in the world is to do nothing, and that is a policy which will not go away. If we lose the day-to-day commuter who is the bulk buyer of travel, the transport system

as a whole must ultimately suffer."

The chamber wanted the Government to accept, he added, that travelling to work was an essential business expense.

"It is the cost of maintaining your job," he said. "The cost of daily travel, particularly into London, now amounts to about a fifth of after-tax income for the lower wage earner, the report says, although the share of travel costs has risen for all income groups. The survey, held last April, showed that 69 per cent of commuters earned £5,000 a year or less."

Public transport costs have also outstripped inflation. While consumer expenditure on goods and services rose by 162 per cent between 1970 and 1978 and private motoring costs by 164 per cent, bus and coach travel rose by 207 per cent and British Rail costs by 253 per cent.

The inquiry examined nine other countries and found that all but the United States provided some form of tax relief on commuter travel. The British traveller's fares made up 68 per cent of revenue, the highest proportion of the countries surveyed.

The report also points out that while use of public transport has been falling in Britain, it has been increasing in most other countries. That is not connected with increasing car ownership, it says, and appears to have its cause in fares. "In most other countries, the real cost of fares is lower than in Great Britain; and in most other countries, in contrast to Great Britain, the real cost is going down."



Spring ploughing on Mr Geoffrey Morton's farm at Holme, Spalding Moor, near York.

Pilots demand North Sea safety code

By Arthur Reed

Air Correspondent

The British Air Line Pilots Association is demanding legislation to improve the safety of helicopters operating in the North Sea oil industry. The association said yesterday that the lack of a code of practice could reduce safety margins.

"Flight safety is all about closing the stable door before the horse gets out", an association official said.

Helicopters operating over the North Sea had a good safety record, but in some respects

they had been extremely lucky, the association said.

More than two million passengers a year fly from Aberdeen and Sumburgh, in the Shetlands, to the rigs, mostly in 26-seater Sikorsky S61N twin-engine helicopters.

The association asked aviation authorities to accept its technical arguments aimed at improving safety, particularly in the period immediately after a helicopter had taken off. The association said that it had no quarrel with British Airways, the largest helicopter

operator in the North Sea. "To its credit, it operates to the highest possible standards."

The concern was directed at the absence of helicopter performance legislation, or an acceptable code of practice.

The Civil Aviation Authority said yesterday that it had set up a joint working group to examine the situation.

A call by the association for cabin attendants to be carried on some North Sea operations is likely to be heeded by the authority.

Offshore safety, page 23

Minister tells arts to keep fighting VAT

By Our Arts Reporter

Mr Norman St John-Stevens, Chancellor of the Duchy of Lancaster and Minister for the Arts, said yesterday that he could not see the theatre being exempted from value-added tax unless the Chancellor of the Exchequer could be convinced that it was vital.

People in the theatre and the arts in general should continue their campaign. He said: "It is no good directing it against me because I am convinced of the rightness of their cause."

Mr St John-Stevens, speaking on the BBC 2 programme, *Newsweek*, said VAT had exacerbated things but the difficulties of the theatre were more profound.

He said: "The whole of the West End theatre is facing a crisis which VAT does not make better, that even zero rating for VAT would not cure."

"The difficulty is that the whole thrust of this Government is to shift from direct to indirect taxation; they are very nervous about exemptions."

Two found in bed lose college rooms

Two students caught naked together in bed were ordered yesterday to stop living at their college, but told that they could continue their studies there.

A disciplinary panel at Warwickshire Agricultural College gave its decisions after an hour's hearing.

Tom Fox, aged 19, and Gill Perkins, aged 20, were found in bed together by a senior college warden. The incident broke governors' rules, a Warwickshire County Council education official said yesterday.

The panel decided that the couple, who were suspended on Monday, should remain suspended until next Monday, but they must leave their hostels in the grounds of the college by 5.30 am on Tuesday "subject to the discretion" of the college principal.

Asked if he thought the punishment was severe, Mr Frank Beetham, Warwickshire's assistant education officer for secondary and further education, said: "The panel is there to enable the college to run properly."

"It is properly run and we must make sure it goes on running properly so that young people are in a position to complete their studies. I think the verdict seems perfectly proper."

The incident was "an absolute aberration" for the college. Boys and girls were banned from each other's rooms and "everyone knows the rules", Mr Beetham said.

A senior education official said: "Accommodation rules are essential when catering for young mixed students. I do not think that parents of 17-year-old girls would thank the county council if it tolerated a registered establishment where there was general fornication going on."

The couple who were found at 9.15 am last Sunday in Mr Fox's room, were said to have accepted the decision of the panel which comprised governors, staff and students.

They had feared that they would be expelled, but it is understood that their parents spoke for them at the hearing. They now have to find alternative accommodation, but it cannot be far away because students have to be up at 5.30 am to milk the college cows.

Safe-breaker jogged away from failure

From Our Correspondent

Gloucester. A burglar, who spent all night trying to break into a steel and concrete reinforced safe, made himself inconspicuous when he left the premises by joining a group of early morning joggers, the police said at Gloucester Crown Court yesterday.

David Barber, aged 28, attempted to break into the safe of the Co-op store in Cheltenham, Mr David Morris, for the Crown, said. He held the last steel barrier but as he reached inside he heard a click and the door opened. It had been unlocked all the time. Mr Barber, who was seen more than once in the store, was seen leaving the store at 5.15 am. He packed his tool kit and left the store. It was already daylight. He joined the joggers to escape.

Mr Morris said that at the time of the break-in, Mr Barber was on his way to work, a 14,000 of morphine through Heathrow airport, London, from India.

Mr Barber, of Norfolk Crescent, Bath, was jailed for six years after he admitted evading drug import regulations, burglary and reckless driving.

Students' union ranks split over 'unrealistic claim' for 36% grants rise

By Ian Beadley

Dissension has arisen in the National Union of Students (NUS) about the wisdom of a claim for a 36 per cent rise in student grants which is being pursued in a day of action today.

The NUS wants a minimum weekly grant of £51.25 (£63 in London for all students, as well as vacation and equipment allowances. It also wants a substantial reduction in the burden borne by parents through the

means-test and an extension of the grants system to advanced courses.

Miss Anna Soubrey, the only Conservative member of the NUS executive, said yesterday she thought the union's claim was wholly unrealistic. "The basic increase in grants is not the main problem. The NUS should concentrate on trying to abolish the parental means test, which Mr Mark Carlisle, the Secretary of State for Education, is very sympathetic to."

She also thought the union's pursuit of such unrealistic goals would encourage the growing trend among universities and colleges to disaffiliate.

Already this year students at Reading and Dundee universities and King's College London have voted to leave the NUS. Students at Kent University voted against disaffiliation on Wednesday by 461 votes to 115.

Mr Richard Turnbull, vice-chairman of Reading University Conservative Association, said the disaffiliation decision had

been taken "because this university pays £17,500 a year to the NUS and we felt we were not getting value for money."

He added: "This latest grants claim will further discredit the NUS in the eyes of many students, and the government will just laugh when they see a claim for 36 per cent."

Mr Trevor Phillips, president of the NUS, said: "Inflation is biting hard into students' pockets. Rents are rocketing, parties in London, hall of residence charges have risen

steeply and food and travel costs are soaring. Without a substantial increase in the main grant and immediate moves to assist hard-pressed parents there is a serious danger that many people will not be able to complete their studies."

Mr Phillips, who yesterday led a deputation to put the union's claim to Mr Rhodes Boyson, Under-Secretary of State at the Department of Education and Science, said he had been encouraged by Mr Boyson's approach

to the NUS. He said: "The NUS is a very young organization and it is very sympathetic to the needs of students."

He added: "The NUS is a very young organization and it is very sympathetic to the needs of students."

He added: "The NUS is a very young organization and it is very sympathetic to the needs of students."

He added: "The NUS is a very young organization and it is very sympathetic to the needs of students."

Youth hostels man awarded £2,544 over dismissal

A former stores supervisor for the Youth Hostels Association, who was dismissed for alleged theft of thousands of pounds, was awarded £2,544 over his dismissal at a London industrial tribunal yesterday.

Mr Trevor Smith was awarded £2,544.60 after the tribunal decided that his reinstatement would be inappropriate.

Mr Smith, aged 35, of Berry Road, Dulwich, London, said he resigned from his job at the Southamption Street YHA branch after senior management ignored his reports that thousands of pounds of stock were disappearing.

Mr Peter Daly, the deputy

general manager, assaulted him when he reported some missing stock, he said. Before he resigned he was so worried about the losses he developed nervous heart trouble. He lost two stone in weight.

Mr Graham Baldwin, former assistant manager, who joined the company after Mr Smith left, said he investigated the losses. His inquiry led to Mr Daly's dismissal and prosecution. Two other men were suspended.

Lady (Elizabeth) Mitchell, chairman, said the tribunal was satisfied Mr Smith was frustrated by the YHA in doing his work.

Mr Peter Daly, the deputy

Three years' jail for benefits fraud

A former Accountancy student who was said to have acquired more than £15,000 in a systematic and professional course of dishonesty, social security claims, was sentenced at Birmingham Crown Court yesterday to three years' imprisonment.

Manuel Kuforija Ijoma had used 13 different names and 12 addresses to obtain the money over a period of almost three years, it was stated.

The court was told that a woman with whom he had been living at the time dishonestly

obtained a further £9,000, the proceeds of which he also probably enjoyed.

Mr Ijoma, aged 30, pleaded guilty to nine specimen charges of fraudulently obtaining £258 from the Department of Health and Social Security by deception.

Mr John Capell, for the prosecution, said the defendant used about 15 false names and a number of false addresses special rented for the purpose, and also used a number of false National Insurance cards.

Mr Ijoma was arrested after

he collected a Giro cheque at the Small Heath employment exchange in Birmingham. In a Volkswagen car outside was found a bag containing seven unemployment benefit cards, three NHI cards and four rent books. At one of the addresses rented by Mr Ijoma the police found two more social security books.

Mr Ijoma had been due to appear before the court last June, with his co-accused, who was eventually sentenced to borstal training, but he absconded and was arrested in London in February.

Mr Ijoma was arrested after

he collected a Giro cheque at the Small Heath employment exchange in Birmingham. In a Volkswagen car outside was found a bag containing seven unemployment benefit cards, three NHI cards and four rent books. At one of the addresses rented by Mr Ijoma the police found two more social security books.

Government lifts maternity grant restrictions

By Paul Reid

Social Services Correspondent

The consensus stage of the Social Security Bill was completed last night after nearly 90 hours of discussion and the imposition of a guideline in the later stages.

The Bill emerged virtually unchanged from committee, except for a concession by the Government that from November the £25 maternity grant will be paid to mothers without any contribution conditions.

The Government has agreed, however, that some of the regulations that will be made under the Bill will be subject to full parliamentary scrutiny instead of going through on the nod as originally intended.

There may also be some

changes at report stage, due on March 18, affecting the new Social Security Advisory Commission, which will replace the Supplementary Benefits Commission and the National Insurance Advisory Committee in November.

The Bill proposes three main changes. First, it will end the earnings link for pensions and other long-term benefits and index them to prices only.

Second, it will reform the supplementary benefits scheme by changing its legal basis and reducing discretion.

Third, it will take the first steps towards introducing equality of treatment for men and women in some parts of the social security system, in line with an EEC directive signed in November, 1978.

'Sus law' again condemned by magistrates

By Our Legal Correspondent

The "sus law" was unsatisfactory and often caused concern to magistrates, a Home Office select committee has been told by the Magistrates' Association.

The association repeats in a memorandum to the committee its proposal, first made in 1975, that there should be a separate offence of "interfering with motor vehicles or their contents" and that the law of attempt (to commit an offence) should be improved and clarified.

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

It declined to give oral evidence because it had not had the opportunity recently to canvass the views of its 23,000 members on the workings of the "sus law".

Consumer groups attack milk import ban

By Hugh Clayton

Agriculture Correspondent

Consumer groups said yesterday that imported milk could undermine the home-produced milk by as much as 25 per cent. They rejected the claim by dairymen that imports were a threat to doorstep deliveries.

Mrs Kate Foss, chairman of Consumers in the European Community Group (CECG), said: "We joined a Community which advocates free trade between members. How can we criticise others when we put up barriers against imports of milk?"

British law requires imported milk to be unpacked here, heat-treated and packed again before it can be sold. Mrs Joan

Macintosh, chairman of the Scottish Consumer Council, said: "In no other field that I can think of is there a virtual ban on imports because of reasons of hygiene."

CECG (UK), an umbrella organization of more than 20 consumer groups, was giving evidence to the Commons Select Committee on Agriculture. The dairies most eager to export milk to Britain are in France, the country under attack for refusing to accept restricted imports of British lamb.

If British curbs on milk imports were lifted, the milk would be sold in shops. Mrs Macintosh said that Scottish dairies showed that high sales of milk in shops did not

lead to a cut in consumption or the end of doorstep deliveries. Miss Joan Maynard, Labour MP for Sheffield, Brightside, said: "Choice is a myth, really. I suggest to you that old people do not prefer to go to a shop, but if they go to a shop it is because it is cheaper in the shop."

Mr Thomas Torney, Labour MP for Bradford, South, said that the consumer groups had answered the claim by dairymen about the threat to doorstep deliveries. Mr Torney, who is sponsored by the Union of Shop, Distributive and Allied Workers, said: "If doorstep delivery did disappear it could cost thousands and thousands of jobs in distribution."



Iveco. The right vehicle for the job.

Fiat, OM, Lancia, Unic, Magirus-Deutz. Five European makes, today a single, integrated industrial system: Iveco.

And Iveco's advanced technology and production processes create trucks and buses whose innovations prove their worth in productivity. 300 versions of 260 basic models meet the needs of light, medium and heavy haulage and passenger transport.

Inbuilt profitability

Iveco has developed aerodynamic cabs to reduce drag and fuel consumption. Lighter, yet stronger, more robust and more reliable construction materials, to give greater payloads. Engines that always have power in reserve, and can be run indefinitely at their most economical speeds. And every vehicle has been purpose-built for high performance in advance of current demands.

A wise investment

Iveco vehicles are economical to run. All the more so because they're backed by an efficient, comprehensive after sales service. Highly trained Iveco specialists operate a spares system streamlined by wide interchangeability. And 4000 service points supply 100 countries throughout the world. Even on the most treacherous routes. That's a lifelong insurance policy for every Iveco vehicle.

IVECO
A world of experience

HOME NEWS

Top security prisons among 25 affected by industrial action

By Peter Evans
Home Affairs Correspondent

Prison officers are taking industrial action at 25 establishments, the Home Office said yesterday. They include five top security prisons.

Mr Peter Rushworth, deputy general secretary of the Prison Officers' Association, said yesterday: "The level of industrial action is a barometer of discontent which exists in the workforce. It is quite clear that Mr Justice May's inquiry, which was intended to correct defects of the prison service, has failed to attain its purpose."

The inquiry was set up in November, 1978 after prison governors in the Society of Civil and Public Servants told the Home Secretary, then Mr Merlyn Rees, that a breakdown was imminent in the prison system.

The action being taken by officers varies, but they represent symptoms of frustration which the service is suffering: too many prisoners in too many old jails forced to contain murderers who might once have been hanged and criminals who have been involved in increasingly violent crime. At seven prisons the regime of the inmates is affected, the Home Office said.

At Manchester and Wakefield officers have refused to man evening classes for prisoners, while at Garret officers are ending at 8 pm evening association by prisoners allowed out of their cells which should continue until 9 pm.

At Ramby, officers are delaying the start of prisoners' vocational training courses in catering, and at Thorp Arch, Yorkshire, they are refusing to carry out extra evening duties.

At Bedford, officers are limiting the intake of extra staff until better facilities for inmates are provided. At Leeds (a men's prison) a woman instructor arrived for work yesterday and again faced an empty classroom, as she has nearly every day for a year. The men, who claim their dispute can be justified by the Sex Discrimination Act, refuse to man the workshop because they say she could be at risk from long-term violent prisoners.

In a written Commons answer, Mr Leon Brittan, Minister of State, Home Office said all efforts to lift the ban had failed.

Some of the officers say they are being less favourably treated than others. The dispute is complicated by the fact that payments are retrospective and accurate records are not always available. I understand the sums discussed could be as much as £1,000 to £1,500 for some officers.

Mr Robert Kilroy-Gilk, Labour MP for Ormskirk, and chairman of the parliamentary all-party penal affairs group, said last night: "The sanctions currently being applied hurt no one but the prisoners, make no impact on the public, and leave the Home Office untouched."

Speaking at a meeting organised by the Howard League for Penal Reform he suggested it would be "reasonable and proper" for officers concerned about working conditions to refuse to admit further prisoners once the certified normal accommodation had been reached. Many local prisons held nearly double the number they were designed for.

At Manchester and Wakefield officers have refused to man evening classes for prisoners, while at Garret officers are ending at 8 pm evening association by prisoners allowed out of their cells which should continue until 9 pm.

At Ramby, officers are delaying the start of prisoners' vocational training courses in catering, and at Thorp Arch, Yorkshire, they are refusing to carry out extra evening duties.

At Bedford, officers are limiting the intake of extra staff until better facilities for inmates are provided. At Leeds (a men's prison) a woman instructor arrived for work yesterday and again faced an empty classroom, as she has nearly every day for a year. The men, who claim their dispute can be justified by the Sex Discrimination Act, refuse to man the workshop because they say she could be at risk from long-term violent prisoners.

In a written Commons answer, Mr Leon Brittan, Minister of State, Home Office said all efforts to lift the ban had failed.

Some of the officers say they are being less favourably treated than others. The dispute is complicated by the fact that payments are retrospective and accurate records are not always available. I understand the sums discussed could be as much as £1,000 to £1,500 for some officers.

Mr Robert Kilroy-Gilk, Labour MP for Ormskirk, and chairman of the parliamentary all-party penal affairs group, said last night: "The sanctions currently being applied hurt no one but the prisoners, make no impact on the public, and leave the Home Office untouched."

Speaking at a meeting organised by the Howard League for Penal Reform he suggested it would be "reasonable and proper" for officers concerned about working conditions to refuse to admit further prisoners once the certified normal accommodation had been reached. Many local prisons held nearly double the number they were designed for.

At Manchester and Wakefield officers have refused to man evening classes for prisoners, while at Garret officers are ending at 8 pm evening association by prisoners allowed out of their cells which should continue until 9 pm.

At Ramby, officers are delaying the start of prisoners' vocational training courses in catering, and at Thorp Arch, Yorkshire, they are refusing to carry out extra evening duties.

At Bedford, officers are limiting the intake of extra staff until better facilities for inmates are provided. At Leeds (a men's prison) a woman instructor arrived for work yesterday and again faced an empty classroom, as she has nearly every day for a year. The men, who claim their dispute can be justified by the Sex Discrimination Act, refuse to man the workshop because they say she could be at risk from long-term violent prisoners.

In a written Commons answer, Mr Leon Brittan, Minister of State, Home Office said all efforts to lift the ban had failed.

Some of the officers say they are being less favourably treated than others. The dispute is complicated by the fact that payments are retrospective and accurate records are not always available. I understand the sums discussed could be as much as £1,000 to £1,500 for some officers.

Mr Robert Kilroy-Gilk, Labour MP for Ormskirk, and chairman of the parliamentary all-party penal affairs group, said last night: "The sanctions currently being applied hurt no one but the prisoners, make no impact on the public, and leave the Home Office untouched."

Speaking at a meeting organised by the Howard League for Penal Reform he suggested it would be "reasonable and proper" for officers concerned about working conditions to refuse to admit further prisoners once the certified normal accommodation had been reached. Many local prisons held nearly double the number they were designed for.

At Manchester and Wakefield officers have refused to man evening classes for prisoners, while at Garret officers are ending at 8 pm evening association by prisoners allowed out of their cells which should continue until 9 pm.

At Ramby, officers are delaying the start of prisoners' vocational training courses in catering, and at Thorp Arch, Yorkshire, they are refusing to carry out extra evening duties.

At Bedford, officers are limiting the intake of extra staff until better facilities for inmates are provided. At Leeds (a men's prison) a woman instructor arrived for work yesterday and again faced an empty classroom, as she has nearly every day for a year. The men, who claim their dispute can be justified by the Sex Discrimination Act, refuse to man the workshop because they say she could be at risk from long-term violent prisoners.

In a written Commons answer, Mr Leon Brittan, Minister of State, Home Office said all efforts to lift the ban had failed.

Some of the officers say they are being less favourably treated than others. The dispute is complicated by the fact that payments are retrospective and accurate records are not always available. I understand the sums discussed could be as much as £1,000 to £1,500 for some officers.

Mr Robert Kilroy-Gilk, Labour MP for Ormskirk, and chairman of the parliamentary all-party penal affairs group, said last night: "The sanctions currently being applied hurt no one but the prisoners, make no impact on the public, and leave the Home Office untouched."

Speaking at a meeting organised by the Howard League for Penal Reform he suggested it would be "reasonable and proper" for officers concerned about working conditions to refuse to admit further prisoners once the certified normal accommodation had been reached. Many local prisons held nearly double the number they were designed for.

Health executive calls for report after journal says study was suppressed

'Liver damage in herbicide plant workers'

By Pearce Wright
Science Editor

The Health and Safety Executive has asked for medical research reports on the risks to workers in the manufacture of the herbicide 2,4,5-T from the Coalite and Chemical Products Company, Bolsover, Derbyshire.

Although the company stopped making the substance after the accident at Seveso, Italy, the request can be justified because of allegations in the current issue of the magazine *Nature* that studies showing an increased chance of heart and liver damage among those who had worked at the factory have been suppressed.

The danger comes from the dioxin (2,3,7,8-tetrachlorodibenzo-p-dioxin), which is an intermediate compound formed in the manufacturing process but which remains in small amounts in the finished product.

The position is complicated because the safety issues are split between the Health and

Safety Executive on the manufacturing side and the responsibilities of the Pesticides Advisory Committee of the Ministry of Agriculture covering the risks to users in agriculture, forestry and local authorities.

Since Coalite and Chemical Products stopped manufacturing in 1976, the executive is not legally empowered to demand publication of the investigations made subsequently by the firm.

In fact the studies were made largely at the suggestion of the executive after the accident at Seveso, and they cover workers at Bolsover between 1968 and 1971.

An analysis of 126 people was made of whom 41 were known to have been exposed to the dioxin, 54 might have been and 31 formed a control group. The article in *Nature* says the results showed a greater incidence to liver damage and high cholesterol levels among those exposed to the dioxin. But none of this information has been published.

An abbreviated form of the report was given to one of the unions at Bolsover, the Association of Scientific Technical and Managerial Staffs, and to the Factory Inspectorate.

But the reassurances it gives are at variance with the claims made for the findings of the unpublished work carried out by Dr Jenny Martin, lecturer in occupational medicine at Manchester University, and a consultant chemical pathologist at Chesterfield Royal Hospital.

The toxicity of the dioxin was documented in scientific literature even before the incident at Seveso. In fact one of the key papers on the subject was written, after a fire in April, 1968, at Coalite and Chemical Products, in the *British Journal of Industrial Medicine*, by Dr George May, describing 79 cases at Bolsover of chloracne caused by the dioxin.

Many of them were severe, but Dr May said none had developed at that time more

serious sequelae ranging from depression and loss of weight to the liver, kidney, cardiac failure and malignant disease that were known risks.

The same paper describes how the dioxin can be accidentally produced in a chemical reaction in which the temperature and pressure in the reaction vessel are allowed to rise above strictly controlled limits.

If temperatures are exceeded in the manufacture of 2,4,5-T the final product can be contaminated with up to 60 parts per million of the dioxin.

[Coalite would not make any comment last night.]

Herbicide ban: South Yorkshire County Council yesterday banned the use by its employees of 2,4,5-T (the Press Association reports).

The council, which has been using the chemical mostly for clearing scrub on reclamation projects, followed Somerset's example.

The chemical which contains the dioxin has been blacked by the Trades Union Congress.

BR pension fund lends painting to gallery

By Geraldine Norman

A still life painting by the great French eighteenth-century artist Jean-Baptiste Chardin goes on view today at the National Gallery. It has been received on long-term loan from the British Rail Superannuation Fund.

Ever since the railway pension fund began to buy works of art on the advice of Sotheby's, museum opinion has been split on the desirability of taking loans from such investment-oriented purchasers. This is only the second painting that the National Gallery has taken on loan from the fund; the first was Tiepolo's "The Miraculous Translation of the Holy House of Loreto".

Chardin is a brilliant oil on canvas depicting a dish of oysters, a bottle, a wooden pepper pot and other objects on a stone ledge. It demonstrates the kind of simple realism for which Chardin is famous; the National Gallery does not own a still life by the artist.

The British Rail Superannuation Fund has owned the painting for several years, according to its curator Mrs Anna Maria Edelstein. Neither the National Gallery nor British Rail where it came from.



Jean-Baptiste Chardin's "Still-life with a dish of oysters and a bottle", which is on long-term loan to the National Gallery.

According to a well-informed trade source, the painting was in the collection of the late John D. Rockefeller. He sold it just before he died, reputedly through the agency of Eugene Thaw, the New York dealer.

The price is said to have been modest; a figure below £200,000 is spoken of.

The painting was lent by British Rail to the important Chardin exhibitions in Paris and Boston last year. It had already

been offered on loan to the National Gallery, according to Mrs Edelstein. The gallery suggested that it would be more sensible if the painting came to it after it returned from those two exhibitions.

BBC board is impressed by protests over orchestra cuts

By Kenneth Gosling

The BBC Board of governors, at their fortnightly meeting yesterday, held a long discussion about the corporation's proposals for saving £130m but, as expected, made no decisions.

It is understood that they brought themselves up to date on reactions to the economy plan, which will mean the loss of 1,500 jobs, that they were particularly impressed by the way the public has responded to the proposal to disband five of the BBC "house" orchestras.

There will be no final decision on any of the proposed cuts in radio and television for

some time, although it is known that the BBC is anxious to get the plan through this month if possible.

Mr Roger Young, national governor for Scotland, said on Radio 4 *World at One* programme yesterday that urgent discussions were going on to find other ways of financing the BBC Scottish Symphony Orchestra to prevent its disbandment.

If a consortium could be put together for that purpose, he hoped the BBC would take some share in it. "I am not without hope," he said.

Leading article and letters, page 17

Control unit prisoner 'not himself'

By a Staff Reporter

The sister of a prisoner held in one of the experimental prison control units was so worried about his state after her first visit, that she immediately sought legal advice, the High Court was told yesterday.

Mrs Mollie Newell, giving evidence for her brother, Mr Michael Williams, who is suing the Home Office over his stay in the unit, said that when she went to see him on September 28, 1974, he was "very upset".

She had been told that she must not ask about the unit so she talked about family matters.

"I could tell there was something wrong with him. His eyes welled up with tears and he seemed to have a lump in his throat. It seemed like he wanted to tell me something, but could not," she said.

"When I got home I just broke down and cried to my husband. I took steps to get advice on his behalf on the following Monday."

He seemed equally depressed at all subsequent visits, and did not seem to be himself even when he left the unit at Wakefield last August to be moved to Parkhurst Prison, she added.

Mr Williams, aged 39, who left prison last month on parole from a 14-year prison sentence for armed robbery, is suing the Home Office for false imprisonment and is seeking a declaration that the control unit regime, which was abolished in 1975, was unlawful.

The case continues today.

Actor to pay his debts in full

Witold Hyde White, the actor, aged 76, is wiping a clean slate in his bankruptcy. All his tax debts will be paid in full later this month and he is expected to apply to have the bankruptcy proceedings annulled.

When Mr Hyde White, who lives at Palm Springs, California, went bankrupt two years ago, it was estimated that he owed more than £12,000 to the Inland Revenue. The claim has been reduced to £9,880.

Mr Patrick Bailey, secretary of Reading Ratepayers' Association, said yesterday: "This comes as no great surprise. The

Belvoir residents start to put their case to inquiry

From a Correspondent

After 60 days in session the public inquiry into the National Coal Board's plan to mine coal in and around the Vale of Belvoir started yesterday to hear the case of the farmers and residents most directly affected by the £760m project.

Hundreds of local people who attended the inquiry at Stoke Rochford Hall, near Grantham, heard Mr Peter Boydell, QC, claim: "There is no need to turn a pleasant piece of England into an industrial area."

The plan to extract 510 million tonnes of coal from the north-east Leicestershire would result in creeping dereliction in an area of valuable and productive farmland, said Mr Boydell, who is appearing for the Alliance, an organization representing 30 parish councils, 350 farmers and more than 4,000 residents.

The prospect of three mine shafts, spoilheaps and a massive increase in traffic was obnoxious and intolerable, he claimed.

The inquiry heard that the main objections to the proposals had apparently moved from outright opposition. Although the Alliance wants the Inspector, Mr Michael Mann, QC, to recom-

mand against mining, Mr Boydell made it clear that it was not suggesting that mining should never happen.

The coal should be won with methods compatible with the retention of the vale in its rural condition, he said. "A refusal might be a spur to technological change."

Objectors are particularly angry at the proposal to create three enormous spoilheaps at Rose, Asfordby and Spillies. The coal board is determined to take the waste by rail to derelict claypits in Bedfordshire.

Mr Boydell told the inquiry that mining would have an adverse effect on the vale as a tourist and recreation area. Belvoir Castle, a grade one listed building and the home of the Duke of Rutland, was visited by 85,000 people a year. The vale attracted a quarter of a million visitors a year.

Mr Ron Orchard, the coal board's subsidence witness, said that the board was prepared to leave pillars of coal worth £175m under the castle to protect it from subsidence.

There was a discreet police presence at the inquiry and there was none of the disturbance and heckling associated with motorway inquiries.

Rapist has jail sentence cut by three years

A 12-year jail sentence on a man who held a teenage girl captive in his caravan and raped her 14 times, was reduced to nine years by the Court of Appeal yesterday.

Mr Justice Kilner Brown said it was difficult to imagine a more terrifying and evil case of rape.

Most people would regard the 12-year sentence passed on Graham Stewart Anker, aged 23, of Magazine Lane, Wisbech, Cambridgeshire, as entirely appropriate.

In view of Mr Anker's age and the fact that it was his first prison sentence, the court, with considerable reluctance, allowed his appeal and reduced the term to nine years.

The Judge, sitting with Lord Justice Donaldson and Mr Justice Wood, said the police went three times to the caravan before Mr Anker surrendered.

People in Third World duped by job promises

From Our Correspondent

A man who was alleged to have been involved in a giant international confidence trick was jailed by Judge Edie at Maidstone Crown Court, Kent, yesterday for five years.

Louis Arnot Jean Germain Damas, alias Dubois, aged 41, a Belgian, of Gloucester Terrace, London, was found guilty by a 10-2 majority of six offences of dishonestly obtaining money by deception. He was recommended for deportation.

It was said to have advertised that for payment of average enrolment fees of £27 each he would train people in the Third World and guarantee them employment in Africa. He denied the allegations and said his plan was to take over the government of Sierra Leone in a coup d'etat and then offer people jobs.

law states that this sort of spending must be proved illegal, not just extravagant.

"We are hoping to get this law changed so the district auditor can make a ruling on whether he believes there has been unnecessary and extravagant spending."

The authority said: "We will be issuing a statement on the decision tomorrow when the district auditor's full report is released officially."

was acting within its legal rights.

At the public inquiry last January a complaint was made that the authority had no right to spend £4,500 on donations and tickets to the regatta, or £56,000 producing a company newspaper.

Mr Patrick Bailey, secretary of Reading Ratepayers' Association, said yesterday: "This comes as no great surprise. The

law states that this sort of spending must be proved illegal, not just extravagant.

"We are hoping to get this law changed so the district auditor can make a ruling on whether he believes there has been unnecessary and extravagant spending."

The authority said: "We will be issuing a statement on the decision tomorrow when the district auditor's full report is released officially."

Unionists launch pamphlet protest

From Christopher Thomas

The Irish Republic's diplomatic initiative for peaceful progression towards a united Ireland has been stung Ulster's Official Unionists into an expensive and concerted international reply.

British embassies and consulates will shortly receive the first instalment of 10,000 leaflets countering the republic's instructions to its foreign diplomats to promote the Flannery cause of a voluntary united Ireland.

The blue pamphlets bear a map of Ireland with the Union Jack occupying the north-east corner. They are entitled: "Diplomatic Offensive against the United Kingdom because of the force of arms of the British Army," he said.

The party's pamphlet is steeped in historical justification. Under the subheading of "The Dublin Government's position" it asserts: "Far from

joint talks with Westminster on a "final" political settlement. With Northern Ireland dominating Commons question time yesterday it was left to the Rev Martin Smyth, head of the Orange Order, to conduct a press conference in the Glessall Street headquarters of the Official Unionists in Belfast.

Mr Smyth was especially concerned about the impact in America of the Irish Government's diplomatic initiative. He thought there might be an attempt to get a commitment from the next United States President to take an initiative on Northern Ireland. "There is in some areas a naive idea that Northern Ireland remains part of the United Kingdom because of the force of arms of the British Army," he said.

The party's pamphlet is steeped in historical justification. Under the subheading of "The Dublin Government's position" it asserts: "Far from

promoting peace in Northern Ireland the Dublin Government has done much to encourage and exacerbate violence. It has done nothing to modify its own claim which is an incitement to violence, nor has it effectively restrained organizations promoting violence in Northern Ireland from behind the republic's frontiers."

Farmer murdered: Gunmen murdered a farmer as he fed his cattle at a lonely spot north of the Irish border yesterday. Mr Henry Livingstone, aged 36, from the small village of Tynagh, co Tyrone, resigned as a part-time member of the Ulster Defence Regiment last year.

He was working at outbuildings one and a half miles from his farm when the killers struck. Police believe he was attacked by three men with automatic weapons. They escaped in his car, which was found abandoned on the Ulster side of the border.

Human rights body seeks wider powers

From Our Own Correspondent

The most important single body advising on the protection of human rights in Ulster yesterday criticized its own terms of reference in a report to Mr Humphrey Atkins, Secretary of State for Northern Ireland.

The Standing Advisory Commission on Human Rights said in its fifth annual report: "Our terms of reference should be widened so that we can act as a right examine and comment

upon any aspect of the law affecting Northern Ireland and the manner in which it is administered by the various statutory bodies and agencies. We must demonstrate to the public of Northern Ireland that we are independent."

Mr Atkins is due to meet the commission today. The commission is acutely disappointed that many of its recommendations have been ignored.

Lord Plant, the commission chairman, was cautiously critical yesterday of MPs for not

taking sufficient interest in the commission, whose report for the year ended October 1979, will be debated in the Commons in about five weeks.

The report said: "We should be empowered to comment on any subject of public concern which affects the liberties of the individual or are affected, thereby giving the people of Northern Ireland confidence in our role. It is necessary for the remit to be revised before the commission can actively tackle the important problem areas

forces respectively, for his "dangerously premature" remarks.

Mr Rees spoke on BBC radio yesterday and cast some doubt on his decision to give the job to a police force from outside London. Countryman was headed by Mr Leonard Burt, assistant chief constable of Dorset, until his recent temporary return to the county force.

Mr Rees said he had been right to have an outside force to investigate alleged corruption, but added: "I have always had slight doubts about it because it is extremely difficult for provincial forces to come into the Metropolitan with 22,000 men, and find their way about."

He said: "I would have had no doubt that the Metropolitan could have done the job themselves. When he was asked if informers would still have spoken up if the London force had carried out the inquiry, Mr Rees said that was one of the reasons why it had to be from outside."

Asked about Mr Hamilton's remarks, he said it was against tradition to speak while an investigation was going on. He too had been "staggered" by the

WEST EUROPE

French Academy ends 345-year reign of male chauvinism

From Ian Murray

Paris, March 6

Mme Marguerite Yourcenar today swept aside 345 years of tradition when she was elected to join the "immortals" of the French Academy.

Her victory, on the eve of strikes and demonstrations to celebrate International Women's Day, means that one of the last great bastions of male chauvinism in France has fallen. With her 38 colleagues under the cupola of the Institut de France, Mme Yourcenar, aged 76, will not sit in judgment on the language she has graced with her writings for so many years.

Nothing in the rules drawn up for the academy by Cardinal Richelieu and signed by Louis XIV actually prevents the election of a woman to a chair.

It was only last year that M Jean D'Oromon, the journalist and writer who is one of the youngest members of the academy, proposed the name of Mme Yourcenar when he did so, he unleashed such a torrent of abuse that he finished by walking out of the great meeting room under the cupola and slamming the door behind him.

M. Andre Chamson, a fellow writer and academician, pleaded in an interview shortly afterwards that he did not like these "spoilt children of the fashionable republic in which we live who want to have us taken for old schoolboys."

Traditionists like M Chamson argued that they were not against women, but that for a writer to win their place among the immortals, they had to both be a master of their craft and French.

Mme Yourcenar, who was born in Belgium, voluntarily renounced any claims she had to French citizenship when she became an American citizen in 1947. Therefore M Alain Peyrefitte, who speaks some time from being an immortal to hold down the exacting government post of the Keeper of the Seals and Minister of Justice, was entrusted with the task of finding a way to give her a French passport.

He found that under the code of nationality it was possible for a person to qualify for French citizenship provided he or she retained cultural, professional or family links with France. The writer accordingly went to the French Consulate in Boston and made a declaration that she wished to obtain French nationality on these grounds and this was duly granted to her last December.

All Mme Yourcenar's writing is set against an historical background spanning many centuries and she is now working on the last part of a trilogy along a historical theme.

Her literary pedigree has



Mme Marguerite Yourcenar, controversy over her nomination.

been well-studied and approved over the three months since she was proposed as a member of the academy and, until last month, it seemed she would be elected unopposed. Then M Jean Dorst, Director of the Museum of Natural History, put his name forward and the election immediately was turned by the media into a battle of the sexes.

When the vote was announced: "Marguerite Yourcenar 20 votes, Jean Dorst 12 votes." Nobody clapped and the immortals stood fidgeting with their ties on the staircase hoping that the press would go away without asking them which way they had voted.

But down below in what were during the Revolution once the dungeons, and where young secretaries now work, all was excitement. They ran around shouting: "She's won. She's won." One of them said: "Now I suppose I shall have to read one of her books."

Less joyful celebrations by women have been called for over the next two days by letting political groups in France, headed by the Parti Socialiste Unifie. As preparation for International Women's Day they are calling on all women to go on strike of a particularly unpleasant kind.

Shoppers are being told not to smile, wives are being urged to wear a make-up and to put on their drabest clothes and no jewelry. For two days, women in France have been called on to go over from dumb resistance to declared resistance.

With all this outburst of female chauvinism going on, it should still be recalled that a man, M Jean Dorst, the novelist and journalist, was also elected today to join the immortals at the French Academy.

Drunken skiers are creating problem for rescue squads

Saalbach, Austria, March 6

Drunken skiers are an increasing problem on the mountain slopes of Europe. Although a jolly bunch on a restaurant terrace, they are creating headaches for rescue authorities.

Some are so drunk that they are unable to ski down the mountain and have to be "rescued" by ski patrols.

"What used to be reserved for après-ski has become part of the day's routine," Herr Werner Binder, director of the mountain rescue squad at Saalbach, 44 miles south of Salzburg, said. "About four of the 15 accidents we see on an average day are caused by drink."

The problem of drunken skiers

The last 20 years have seen Britain rapidly lose face.

Scores of our industries that once were leaders, have now become followers.

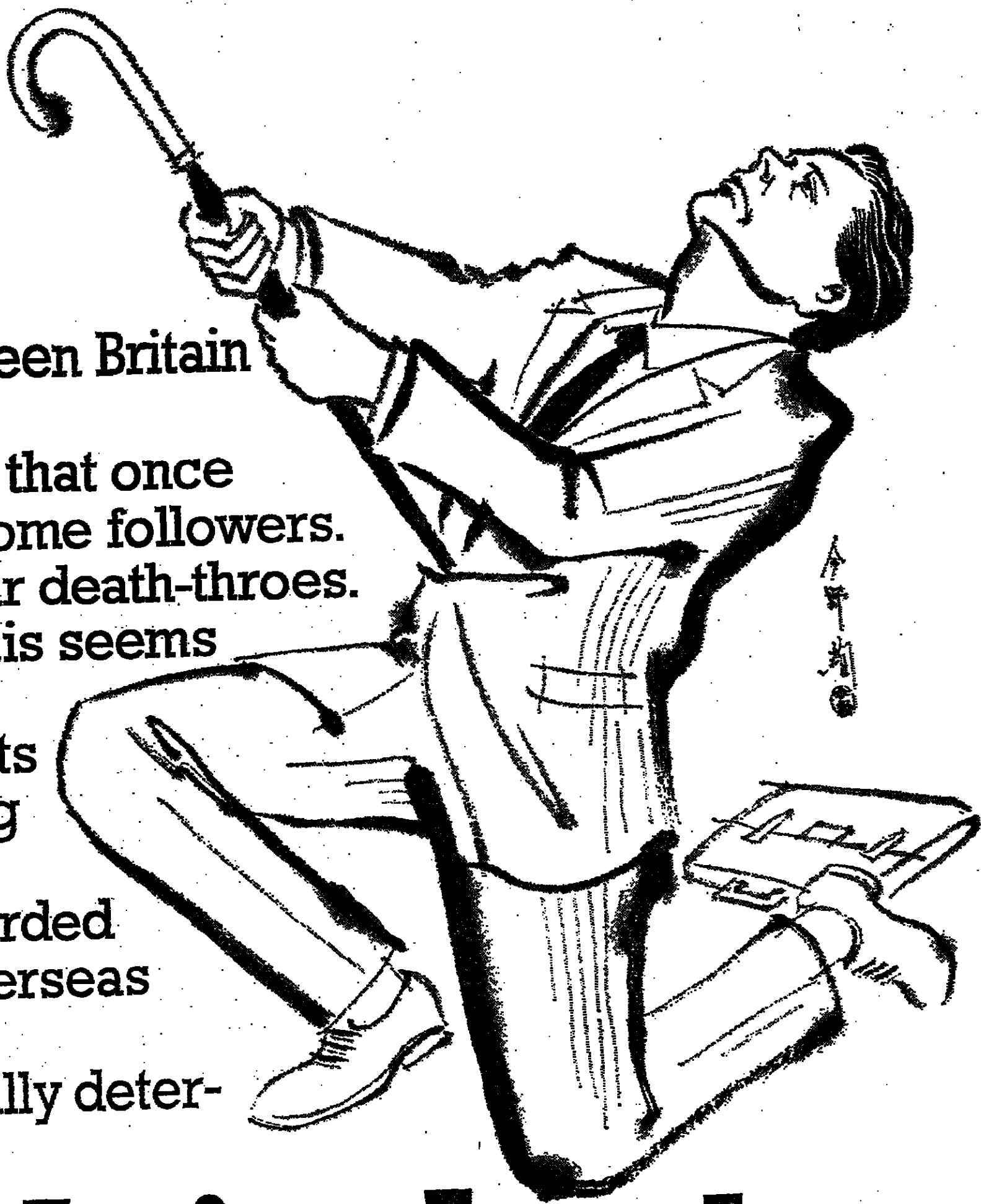
Many, indeed, are in their death-throes.

To outside observers, this seems to have been self-inflicted.

A country famous for its ability to innovate is proving slow to accept innovation.

Managers have disregarded the rapid automation of overseas competitors.

Work forces seem equally determined to resist progress.



Is British industry dying an honourable death?

Yet the very thing that British workers want – namely, a higher standard of living – can only be achieved by increasing productivity.

Automation is one solution to this.

Admittedly it isn't the only solution, but without automation Britain cannot hope to remain competitive with the rest of the world. Orders, jobs, and even factories will be at risk. Unless something is done.

At IBM, we believe in the future of Britain. We invested £136 million here last year alone, to bring to British businesses of every size the automated systems they need.

Systems to expedite office work. Improve productivity. Cut manufacturing costs. Hasten delivery times. And help Britain compete with the world.

Out of Britain's 25 top profit-making companies 22 use IBM as their major supplier of automated business systems.

What can we do for you?

IBM

WEST EUROPE

More held in Italy's savings bank scandal

From John Earle
Rome, March 6

Signor Mario Pennacchio, the chairman of the Savings Bank of Puglia, was arrested here today as he stepped off an aircraft bringing him home from a visit to Thailand.

This brings to 40 the number of bankers and industrialists detained after dawn swoops on Tuesday by police throughout the country in connection with the embezzlement scandal at Italcasce, the Central Institute of Savings Banks.

Arrest warrants were issued for a total of 45 people, many of whom heads or past heads of savings banks. They are alleged to have approved loans running into thousands of millions of lire granted without proper security during the years 1970-77.

Those of the arrested men who can stand the journey—several are elderly and in delicate health—are being brought to Rome, where an investigating magistrate started yesterday to interrogate them.

The arrests, besides causing consternation in the financial world, are bringing calls for a revision of banking legislation so that officers or board members of a public-sector bank—Italcasce is considered a public-private institution—should not automatically be thrown into jail and be open to charges of embezzlement for approving an unwise loan.

The case has also focused attention on the malfunctioning of the savings banks system, for years under the political dominion of the Christian Democrats.

Out of 90 savings banks, the terms of office of 58 chairmen have expired. At the Ferrara Savings Bank, for instance, the chairman's appointment ended in August, 1967, yet he has continued in office ever since.

Nixon visit to Paris

Paris, March 6.—Mr Richard Nixon, the former American President, arrived in Paris today on a one-day visit to meet European publishers of his new book, *The Real War*.

Britain and France earn little from sheepmeat

Nationalism rules in lamb stakes

From Michael Horsby
Brussels, March 6

The highly publicized "lamb war" between Britain and France, with all the violent emotions it has stirred up on either side of the Channel, is based on a commodity which accounts for little more than two per cent of the value of total EEC agricultural output. Hardly, it might be thought, a *casse belli*.

Yet because of it France has become the first member state to refuse to obey a judgement of the European Court of Justice, thereby exposing the absence of any machinery for enforcing EEC law, while British ministers sometimes behave as if the French ban on our lamb imports threaten our very economic survival.

Of the EEC's total of 46 million head of sheep, 22 million are raised in Britain and 11 million in France. The only other significant sheep stocks in the EEC are found in Italy (9 million) and Ireland (2,400,000).

In neither Britain nor France can the sheep industry be described as crucial economically. In Britain last year the value

Staff fight to retain Luxembourg venue for European Parliament

From David Wood
European Political Editor

The European Parliament has now run into serious trouble with all its staff. Yesterday, the staff representative committee meeting in Luxembourg resolved not to attend the European Parliament meeting arranged for Strasbourg in July, and to stay at their "working places in Luxembourg".

That means that the arrangements of the parliamentary bureau for a Strasbourg plenary session in July must now be in doubt.

Without interpreters and translators working in six Community languages the Parliament, its managerial bureau, and its committees cannot meet. Members of the staff representative committee, who live and work in Luxembourg, know that well, and they are determined to oppose the managerial bureau's decision to concentrate meetings for the rest of 1980, and perhaps for good, in Strasbourg.

Meanwhile, the parliamentary bureau continues to consider the innovation of grand committee meetings in Brussels to deal with the accumulating technical business. That would mean part of a second week out of Luxembourg each month.

In spite of a welcome salary increase that will come into effect when the Community budget for 1980 is agreed, it is clear that senior members of

the staff have no intention of allowing the Parliament to abandon Luxembourg as the venue of its administrative headquarters and their home.

The possibility of a motion of censure on Mr Roy Jenkins, the president and of the whole European Commission, was carried by Mr James Scott-Hopkins, leader of the European Democrat Group, at the close of a group meeting in London yesterday.

He said that at next week's plenary session in Strasbourg there would be questions to the Commission obliging either Mr Jenkins or Mr Finn Olav Gundlach, the Agricultural Commissioner, to remove doubt that subsidized butter will not be exported to Russia again after the invasion of Afghanistan.

After a strong European Democrat motion passed by the European Parliament in February, the Commission has said that all butter exports to Russia will come under new guidelines. But the Parliament has been told yet what the guidelines are.

Mr Scott-Hopkins said yesterday that if the subsidy exceeds, say, about five per cent at the expense of Community taxpayers, then the European Democrat Group, with Christian Democrat and some Socialist support, will move a motion of censure against the Commission that would amount to a demand for the dismissal of Mr Jenkins and his colleagues en bloc.

New Christian Democratic secretary faces party split

Rome, March 6

Signor Flaminio Piccoli was early today elected national secretary of the Christian Democrats, Italy's biggest party, in spite of intensive contacts behind the scenes.

His appointment, however, remains split over its attitude to the Communists.

He succeeds Signor Benigno Zaccagnini, who resigned at the party congress here last month. The party is split over its attitude towards the Communists in what is already being called the *Dopo Cossiga* (Post-Cossiga) period when, as is widely expected, the minority administration of Signor Francesco Cossiga falls.

There is no question of the Communists entering the next government, but the majority of the party want five-way talks between the Christian Democrats, Socialists, Republicans and Liberals consultations about the composition and policy of the next government, before any talks.

The minority, grouped round Signor Zaccagnini and Signor Giulio Andreotti, the former Prime Minister, believe that this is discriminatory and the Communists should be consulted along with the others, though the strict terms they would support in Parliament are unlikely to entice the Communists.

OVERSEAS

Korchnoi wins the first chess skirmish

From Sue Masterman
Vienna, March 6

Viktor Korchnoi, the self-exiled Russian grand master, has won the first round in the war of nerves, otherwise known as the quarter final of the world chess championships, against his Russian opponent, Tigran Petrosian, the former world champion.

In the Casino at Velden, the dignified holiday resort which nestles along the shores of Lake Wörther in Carinthia, luck alone determined that he will be the first to play white when the tournament opens on Saturday.

Since Korchnoi defected to the West in Amsterdam in 1976, his former Russian colleagues have shunned him. They have not been able to avoid him, however, in the world cup tournament. Two years ago he reached the final, only to lose after an endless series of matches, punctuated by incidents and strategic bouts of illness, to Anatoly Karpov, the reigning champion.

Before Korchnoi's defection Petrosian, in 1974, threw in the towel against him "for reasons of health" in a preliminary round of the world chess championship. Rivalry between Korchnoi on the one side, and other leading Russian chess players, especially Petrosian and Karpov, was given as reasons for Korchnoi's flight to the West.

On Tuesday Petrosian and the Russian delegation arrived in Velden by train. Petrosian delivered a pithy statement to the effect that he would avoid all contact with his rival other than on the platform on the stage of the world chess championship.

Korchnoi, who rolled into Velden by car from his pleasant Swiss residence on Tuesday evening, has been considerably more cordial to his opponent.

The organizers, however, are more wary of his record as a nervous performer than of Petrosian.

While Korchnoi appears content with the accommodation for him and his delegation at



Tigran Petrosian at practice in Velden where he will play Viktor Korchnoi.

the Hotel Zamosci, the Russian delegation have caused some upheavals in the more modest Hotel Hubertshof.

According to the managers, conversions have been carried out to meet the Russian contestants' demands for a three-room suite with separate bedroom, living room and study.

High class stereo equipment has been installed in the living room at his request. Petrosian has also demanded separate dining facilities with an adjoining television room.

More conversions have taken place backstage at the Festival Hall. Two separate retiring rooms, both precisely the same have been constructed, each

with access to separate toilet facilities. On stage, the chess table has a partition fitted under it, so that the two cannot touch, accidentally or otherwise.

Petrosian and Korchnoi once came to blows during a match in Italy when one claimed that the other had kicked his shin.

The bullet-proof glass screen between players and audience which Korchnoi had demanded is not there. Its presence would be against FIFA rules. Korchnoi claims, as he has frequently before, that the Russian delegation plants hypnotists in the public to interfere with his powers of concentration.

The public, which will pay £4 per session to watch the match in the hall, or £2 for access to the closed-circuit television room, will be issued with printed instructions emphasizing that one loud whisper or one false move will be enough to have them ejected.

As a special concession, Petrosian has been allowed to bring his wife, Rona, with him to Austria. The last time she accompanied him abroad, in 1962 to Curacao, the success which brought him the world title began. Aleksandr Belin, the leader of the Russian group, and Aleksandr Sutin, a grandmaster, believe that she is a lucky talisman.

Hints of a change in Rhodesian constitution

From Dan van der Vat
Salisbury, March 6

Sources within the renewed coalition, formed yesterday between Mr Robert Mugabe and Mr Joshua Nkomo, to rule Zimbabwe after independence, say that the new constitution will make early changes to the Southern Rhodesian constitution.

The reconstituted Patriotic Front Alliance will have a total of 77 seats, 57 from Mr Mugabe's Zanu (PF) and 20 from Mr Nkomo's Patriotic Front—more than three quarters of the seats in the new House of Assembly.

Neither of the parties in the alliance is enamoured of the division of responsibility laid down in the independence constitution. The Patriotic Front as constitutional head of state and the Prime Minister as head of government. Both want an executive presidency. "We shall change this arrangement as quickly as we find it necessary," said a coalition source told *The Times* today.

This reinforces the general assumption here that Mr Nkomo will not take on the presidency. The problem of what job to give him has not been settled. Talks between the two leaders and their advisers which continued today. The likeliest possibility is that he will emerge as Deputy Prime Minister, probably with a ministerial portfolio to accompany the mainly honorific title.

The Foreign Ministry is held to be too much of a burden for a man of Mr Nkomo's age (he is 63) and state of health and the post is expected to go to a younger man.

The presidency is ruled out because it is thought that to confer it upon a man of Mr

Nkomo's stature as a nationalist leader and national father-figure would lend the post, which is purely that of a figurehead, a respectability it does not deserve.

Senior coalition officials continued their detailed study of the present government departments here. Some ministries may be scrapped or merged and new ones created.

Neither coalition partner has any objection to the inclusion of at least one white in the cabinet, assuming that talks with Mr Ian Smith's Rhodesian Front are fruitful. These are expected to resume shortly. Speculation centres upon Mr David Smith, who may continue as Finance Minister, but "coalition sources declined to comment."

One thing seems clear from today's soundings: the new constitution will do nothing to do with Bishop Abel Muzorewa, the former prime minister, whose UANC party won only three seats in the election, nor will it call upon other leaders who parties failed to win any seats at all.

The Zanu (PF) central committee, the prime mover in the process of determining the shape of the new cabinet, was in session all last night, met again until late tonight and will resume tomorrow. Much of the time will be spent in Mr Mugabe's private house. He will see Mr Nkomo again tomorrow.

Mr Mugabe conferred with Lord Soames for more than an hour today and formally presented a request that Zimbabwe should be allowed to join the Commonwealth. The request will be passed on to the Commonwealth Secretary-General with British endorsement.

Mr Murdoch buys ailing US magazine

From Our Own Correspondent
New York, March 6

Rupert Murdoch, the Australian publisher, has bought *Cue* magazine, a bi-weekly guide to New York entertainments. He plans to merge it with *New York* magazine, a weekly covering part of the same field, which he acquired from Mr Clay Felker in 1977.

Cue was founded in 1935 and for more than 25 years was a lively guide to New York shows, films, cabarets, music and restaurants. In 1963, however, *New York* magazine invaded the field with a more sophisticated editorial approach. *Cue* suffered, and an editorial reorganization two years ago has not helped much in reducing its losses.

Mr Murdoch paid \$5m (about £2.2m) for the magazine, which lost \$200,000 last year. Other publications he owns here are *The New York Post*, an evening paper, and *The Village Voice*, which also reports on entertainment, but concentrates on applying to young intellectuals.

He also has *New West*—the West Coast version of *New York*—and *The Star*, a mass-market publication selling mainly in supermarkets and specializing in features on dieting and the occult. In Britain he owns *The Sun* and *The News of the World*.

Peking discipline call

Peking, March 6.—The Chinese Communist Party journal *Red Flag* has called for tighter discipline and ideological training for the 38 million party members.

The journal said the party must be "clinging to factionalism and putting their interests above those of the party."

Mr Mugabe impresses British MPs

From Nicholas Ashford
Salisbury, March 6

An all-party group of six British Members of Parliament issued a statement today, saying that the amount of concessionary aid needed by an independent Zimbabwe may well exceed the estimate of £750m over five years made in 1977 at the time of the abortive Anglo-American initiative.

The six—Mr Peter Emery, Mr Edward Rowlands, Mr Ivor Stammers, Lord Chelwood, Lord Fortescue and Lord Underhill—called on Britain to provide assistance to help the country repair the damage caused by seven years of war.

The group, which left for London tonight, will report to Lord Carrington, the Foreign Secretary, on their impressions of the Rhodesian election. During their stay, they travelled extensively around the country and had three meetings with Mr Robert Mugabe, the Prime Minister-designate.

They also saw Mr Joshua Nkomo, leader of the Patriotic Front, Mr Ian Smith, head of the Rhodesian Front, and Bishop Abel Muzorewa, leader of the United African National Council.

Both Labour and Conservative members were impressed by Mr Mugabe. They said his moderate statements should help to create confidence in the new Government, both inside the country and abroad.

The group was particularly reassured by Mr Mugabe's attitude towards the country's white minority. "He clearly wants to work with the whites and to encourage them to stay in the country," Mr Emery said.

He also noted that Mr Mugabe gave them an assurance at a meeting this afternoon that the standards of school education would not be allowed to drop. That is a point of particular concern for whites.

At the meeting, Mr Mugabe also emphasized his desire to see Zimbabwe become a member of the Commonwealth. He discussed that point with Lord Soames, the Governor, this morning.

Dismantling of security is under way

From Our Own Correspondent
Salisbury, March 6

Mr Robert Mugabe, the Prime Minister-designate of Zimbabwe, today asked Lord Soames, the Governor, to agree to the dismantling of the security measures as soon as possible and found he was pushing at an open door.

No further national servicemen are to be called up for the time being, reservists are starting to return to work and military vehicles and heavy weapons are going back to barracks. The country has been remarkably calm so far.

In a few days the curfew in rural areas will be abolished and martial law called off except in a few isolated areas around vital installations. Lieutenant-General Peter Walls, the Rhodesian supreme commander, called on Mr Mugabe today for talks about the further integration of the security forces and the two guerrilla armies.

A spokesman for Mr Mugabe announced tonight that one of the first acts of the new Government would be to disband the 25,000 security force auxiliaries.

Mr Baker's withdrawal helps Bush candidacy

From Patrick Brogan
Washington, March 6

Senator Howard Baker's decision to abandon the contest for the presidency, which he announced yesterday, is likely to help Mr George Bush the most. They were competing for votes from the centre of the Republican Party, both of them suffering attrition from Mr John Anderson on the left and Mr Ronald Reagan on the right.

Mr Baker's departure will be followed by that of Senator Robert Dole (who has, in fact, already dropped out of the contest, but has yet to announce his decision formally) and Representative Philip Crane.

That will leave two candidates on the right, Mr Reagan and Mr John Connally, a Bush in the centre and Mr Anderson on the left. Mr Connally is making his first effort in the South Carolina primary on Sunday.

Mr Anderson is congressmen from a rural part of the state and both he and Mr Bush recognize that they must do well in Illinois if their campaigns are to survive. Mr Anderson is concentrating on Illinois.

Mr Bush is campaigning in South Carolina and in Florida. It is possible that the two will meet in a debate in the week out to the convention, and the none of them will have a majority there.

Inventor's windmill produces hot water

From Michael Leaman
New York, March 6

The country that brought you nuclear energy, jumbo jets and men on the moon now gives you... the better windmill. A ceremony in Manhattan today was symptomatic of the new regard being paid to the elemental forces by scientists looking for alternatives to costly oil.

It was the dedication of a custom rooftop structure that has puzzled passers-by in the East Village area of the city for more than a year. The helmet-shaped dome atop metal pylons, with two poles protruding from the back, from the Applied Science Building, New York University.

It is called the Leobost Win Turbine, after its inventor, Leobost Leobost. The dome has a hole in the front and the fan turns it so that the wind blows into the hole, directing the maximum concentration of wind on to the metal blades of the windmill beneath it.

The blades drive a shaft that passes through the roof to the sixth floor of the building where it powers a "water twister", a belt-driven device that heats water by friction. Useful quantities of water have been heated in experiments. Mr Leobost Hoffert, a scientist on the project, said: "I the best of our knowledge it is the first time anyone anywhere in the world has actually made hot water by using energy from the wind."

The device is 23 per cent more efficient than an ordinary windmill, according to scientists. While a conventional wind turbine of the same size produces 7,300 British Thermal Units (BTUs) an hour in a 15 mph wind, the Leobost turbine produces 9,000 BTUs an hour.

That is equivalent to 1.2 gallons of heating oil. The Leobost turbine calculates the wind at a dollar a gallon taking into account the relief on energy-saving devices such as a unit could repay its construction cost of \$15,000 (about £6,500) in six years. That is a gain which is now being made by the windmill.

Mr Leobost said that a partner will shortly be making the windmills commercially and hopes to have them on the market within a few months. Their initial use could be in small office buildings or blocks of flats, and dreams of seeing a forest of his pylons and domes cover cities before long.

It could not be the source of hot water, because the windmill sits below ground level. The mill does not turn. If plucked into a university building's water system it could produce between 10 and 15 per cent of its water needs. But Mr Leobost said it could produce up to 70 per cent of requirements in places with plenty of wind.

All new flights to US to go from Gatwick

By Arthur Read
London Correspondent

Britain and the United States have signed a new aviation accord in Washington that will make Gatwick, the second London airport, a major base for services across the North Atlantic.

Both sides agreed that a new airline services between Britain and the United States will use Gatwick airport. The agreement boosts the British Government's plans to relieve pressure on Heathrow airport.



The Pope shakes hands with David Niven, the British actor, whom he received at the Vatican yesterday with William Buckley, the American writer.

Dutch MPs pass wages freeze Bill

From Robert Schuil
Amsterdam, March 6

In spite of strong opposition from the trade unions, resulting in strikes on Tuesday, the Lower House of Parliament in The Hague last night approved a new wages Bill, which will enable the Government to curtail wages until the end of 1981.

The House also supported government plans to cut public spending by further 1,000 guilders (about £675m) for the year. This plan led to the resignation on February 21 of Mr Frans Andriessen, the Finance Minister, who was succeeded on Tuesday by Mr

Alfons van der Stee, until then Minister of Agriculture and Fisheries.

The Government can use the powers granted under the Bill to freeze wages and limit salary increases caused by rising prices, through not taking into consideration the rising cost of energy.

As a result, the purchasing power of people with an average salary of about 34,000 guilders a year will be cut this year by between 0.5 and 1 per cent, while the purchasing power of those with higher incomes will be reduced by even more.

The largest trade union, the Socialist Federation of the

Dutch Trade Union Movement, says that the Bill interferes with the freedom of collective bargaining. It decided today to continue to challenge the Bill, and further strikes were not ruled out.

Half of the 3,000m guilders cut in public expenditure will have to be found in the budget for 1980. Another quarter will come from lower government contributions to social benefits and the rest from reductions on civil servants' salaries, health services and grants to local and provincial authorities.

Mr Andriessen resigned because in his opinion, the cuts should have been at least 1,000m guilders higher.

Commons to decide Britain's Olympic stand

By John Groser

Mrs Thatcher's Cabinet, stung by the assertion of Sir Denis Hollis that he and his British Olympic Association know better than ministers and MPs what is good for the common weal, reacted predictably at its meeting yesterday by deciding that there should be a debate in the Commons next week on the thorny issue of participation in the Moscow Olympics.

At Prime Minister's question time in the House, Mrs Thatcher said that she had been astounded by what Sir Denis said in evidence to a Commons select committee. She thought Parliament the best judge of the interests of the British people and added: "It would be as well, the Leader of the House, permitting if we were to have a debate to make our views known."

Mr Norman St John Stevas, the Leader of the House, said shortly afterwards that he was willing. The Prime Minister

very well knew—for she had herself chaired the morning Cabinet meeting—that Mr St John Stevas had told his ministerial colleagues to pencil in the debate in their diaries for next Tuesday.

He did not, of course, tell the House that the debate would be held next Tuesday, as suspense in these matters is of the essence. But he told his colleagues that he felt it important to fit the debate in as it was important to the nation to have an expression of the collective view of the Commons.

At this stage, Government business managers felt it was not possible to dictate the form of the debate. Nor should there be premature decisions on the possibility of a free vote.

The feeling at the Cabinet meeting had been that this was not a party issue, but a moral one. Some felt that a free vote would be the only proper one to have.

In the Commons, Mrs

Thatcher told MPs that she had expressed her views to Sir Denis in "no uncertain way" in her letter to him. "I told him the Soviet invasion of Afghanistan meant that for British athletes to take part in the games in Moscow this summer would be for them to sponsor a crime," she added.

In another letter from the Prime Minister's office, this one dated yesterday and addressed to a left-wing Labour MP, Mrs Thatcher said that the Government felt it a duty to discourage spectators from going to Moscow to watch the games if they go ahead as planned.

"We are asking our athletes to make this sacrifice as citizens who should consider the implications of the Russian political propaganda exercise. It would be illogical not to ask tourists to make their contribution by also refusing to attend," she said in the letter.

"We are, of course, only

advising an dthe decision, particularly that of conscience, about going to Moscow must be taken by the people concerned themselves. We would, therefore, be under no contractual obligation to those who sustain financial losses if their campaigns are to survive. Mr Anderson is concentrating on Illinois.

Mr Bush is campaigning in South Carolina and in Florida. It is possible that the two will meet in a debate in the week out to the convention, and the none of them will have a majority there.

The joint statement put out by the White House went on to say: "The Chancellor emphasized that it is up to the athletes to decide the conditions that athletes from all countries will be able to participate in the Olympic Games, and that at present such conditions do not exist."

SPORT

Boxing

Ali tempted back by record \$14m contract

Henry Cooper, the former British heavyweight champion, yesterday confirmed Muhammad Ali's decision to come out of retirement and box John Tate, the WBA champion. Ali, aligned for the contest in Chicago on Wednesday for a purse of \$5 million. The date has not yet been arranged.

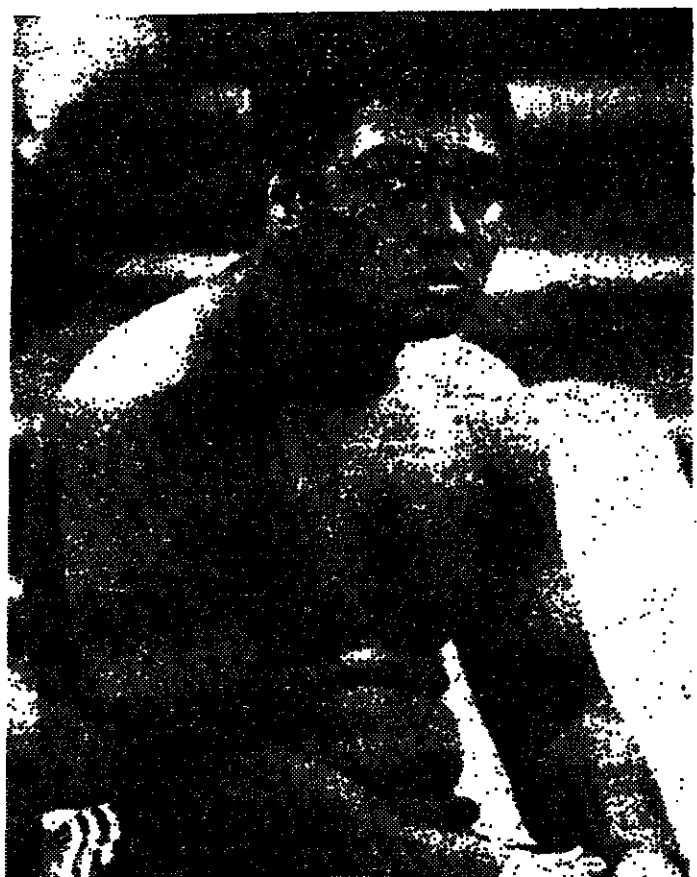
Cooper, who is flying to New York next, "Ali is a very sly man. He is nearly 40 and has been out of the game for over a year. He is well out of condition and must weigh 18 or 19 stone".

He added: "Tate is a very useful fighter and is only a matter of time before someone puts Ali down. That will shatter the Ali legend. Cooper was on his way to the United States for 12 days of business and pleasure. Bob Arum, President of Top Rank, said the purse would be a record sum and that the bout would be held in late June. Some reports say that the match would be held in Taiwan, New Orleans or Houston.

Neither Mr Arum nor Ali's manager, Jabir Muhammad, would confirm reports that the boxers would split \$14 million. "Ali will say that the compensation to both fighters is a world record for any boxing match in history," Mr Muhammad said. "I did it again".

Ali said a 15-round workout on Tuesday with Greggo, a light-heavyweight, was his first full-scale training in about 18 months and he had a pretty good idea of his own strength apart from being a little sore, he was pleased with how well he felt.

A spokesman for the New Orleans Superdome said he had been contacted about the possibility of a bout there. Greg Campbell, a boxing promoter and agent



An overweight Ali takes a break during training.

who has been involved in trying to put together an Ali-Tate match, has been advocating Taiwan for some time as the site, and has said he had a group there who would provide the financial backing for the bout.

Officials of the WBA have been quoted as saying that Ali would have to have a warm-up match before they would approve a bout with Tate for the championship. Mr Arum scoffed at the idea of a tune-up bout.

Mike Weaver, of course, could make the whole matter academic by beating Tate in Knoxville, Tennessee, on March 31.—Agencies.

Bahamas Bound: John Connel, who has been involved in trying to put together an Ali-Tate match, has been advocating Taiwan for some time as the site, and has said he had a group there who would provide the financial backing for the bout.

Officials of the WBA have been quoted as saying that Ali would have to have a warm-up match before they would approve a bout with Tate for the championship. Mr Arum scoffed at the idea of a tune-up bout.

Mike Weaver, of course, could make the whole matter academic by beating Tate in Knoxville, Tennessee, on March 31.—Agencies.

Cambridge depend on early advantage

By Jim Railton

It is Oxford University's turn to host the annual boxing match against Cambridge and the event this evening was sold out weeks ago. It is always a contest of honest endeavour but this year has on show some highly-skilled and experienced boxers. Both captains feel they will win by a narrow majority, and the light-heavyweight, when Oxford's Steve Harnell fights Conrad Clifford. The outcome of this bout could just start the victory swing.

Certainly Cambridge will wish to gain an early advantage with three of Oxford's best offerings appearing in the second half of the programme. The Oxford freshman middleweight, Rod Lizardi from Fiji, is a stylish technician with a hard punch. Watching him spar, it is clear he has spent some time in the sport. Oxford's hopes, too, rely on light heavy-

weight Nick Stafford-Delisch who, a few weeks ago, took the open British Universities title. This evening he will be looking for his second successive victory in this annual match.

Should success, however, hang on the last event—the heavyweight contest—there is a promise of some bruising action. Both universities are well armed and will push two Americans, each of over 15 st, into the ring. Oxford's offering is Crowley, a Yale footballer. Cambridge's hopes lie in McAllan, from the University of Pennsylvania; it is said he has trained no less than "Smoking Joe" Frazier's gymnasium. Some how I do not expect this bout to last three rounds.

Cambridge could take an early lead with their two winning Blues of last year, Griffin and Clifford. In the second and third bouts, but with a hard punch. Watching him spar, it is clear he has spent some time in the sport. Oxford's hopes, too, rely on light heavy-

Cricket

W Indies board asked to discipline players

Auckland, March 6.—The New Zealand Cricket Council have asked the West Indies Cricket Board to take action against players involved in two controversial incidents during the tour just ended. These were a threatened walkout by the West Indians during the second Test at Christchurch and the alleged use of a bat to strike a New Zealand batsman, Fred Goodall, by Colin Croft in the same match.

Bob Vance, chairman of the New Zealand Cricket Council, said: "We have recommended that the West Indies board take action against the players concerned in these incidents. We are considering raising the matter at the international Cricket Conference with the strong recommendation that there be some disciplinary action in matters such as control of behaviour and disciplinary action in areas such as physical interference with umpires and disruption of your contractual arrangements".

The West Indians, beaten 1-0 in the three-match series, said they were disappointed about the standard of umpiring from the start of the tour and that they were considering a walkout. But the West Indies Cricket Board has said that it has no intention of disciplining its players.

In a statement issued in Port of Spain, the association said it deplored the West Indies' attitude in the series, which it said, could lead only to "the ruin of cricket in the West Indies". It said the association was "firm, efficient and steadfast" in its support of the New Zealand Cricket Council's decision to discipline its players.

The West Indies players left New Zealand this morning, having lost a lot of good will in the tour. They were accused of being the worst behaved and most unpopular team to tour the country. This was a

complete reversal of the heroes' welcome they received on their arrival after a triumphant tour of Australia, where they convincingly won the triangular one-day World Series Cup and the home side 2-0 in the three Test series.

Boredom and fatigue plagued the West Indies players in New Zealand. The manager, Willy Rodriguez, admitted on arrival that "the team is physically and mentally tired". During the tour he said: "We cannot wait to fly out and wipe the dust of this country from our feet".

New Zealanders were critical of the tour. The captain, Clive Lloyd, over their players. A press conference yesterday, the abolition of the 100 over limit, and the decision to play a full day's cricket, and an increase of points for a win from 12 to 16. The idea was to encourage the development of young batsmen and to provide an incentive for a more positive approach by batsmen.

The changes had been put forward as a package and stood or fell by their overall acceptance, partial agreement was ruled out. The decision to play a full day's cricket, and an increase of points for a win from 12 to 16. The idea was to encourage the development of young batsmen and to provide an incentive for a more positive approach by batsmen.

The changes had been put forward as a package and stood or fell by their overall acceptance, partial agreement was ruled out. The decision to play a full day's cricket, and an increase of points for a win from 12 to 16. The idea was to encourage the development of young batsmen and to provide an incentive for a more positive approach by batsmen.

Changes are rejected by TCCB meeting

By Richard Sreeton

The English counties yesterday unexpectedly rejected changes proposed for the county championship next summer and the competition will be played under the same regulations as in recent years.

The decision by delegates at the spring meeting of the Test and County Cricket Board, which was held at the TCCB headquarters in London, was a surprise. The board had been asked to consider a number of proposals, including a change to the format of the competition, and an increase in the number of teams.

The board had been asked to consider a number of proposals, including a change to the format of the competition, and an increase in the number of teams. The board had been asked to consider a number of proposals, including a change to the format of the competition, and an increase in the number of teams.

Golf

Townsend finds new course like old friend

From Peter Ryrie, Lytle Coast March 6

Peter Townsend scored a first-round 62 here today which left the rest of the field of 27 struggling to the President's four-round tournament over the 6,710-yard course with its par of 72.

He reached the turn in 33 and came home in 29, scoring birdies at the last three holes. He dropped only one stroke to par after a bad drive to the ninth, but made up for it by a single at the tenth which is slightly downhill. With a slight breeze helping the ball and fanning the spectators, he reached the clubhouse in 104, four under par.

Townsend used only 25 putts, one of which was really long, the key to his round was the number of good iron shots he hit. He was down in two at the 17th, and that two was sandwiched between birdie putts of 15 and 12 feet at the 16th and 18th.

The score should not be taken as an insult to the course. The New Forest, with a soil impregnated with iron, is a course which is in any case not long. At present the greens, sown with Tifton grass, are easy to putt grass. In Townsend's opinion, easy to read. He should know for it is the second round he has scored a birdie in the professional prize with 66 and leading his team to victory. His male partner was Jonathan Arnold, a former French president who, by virtue of his skill as a test pilot, used to be called the fastest word in the world.

Gayley also found the inward half to his 104, scoring

five birdies for a total of 65, the score of the Camerons, who did not score so well. He started by hitting three balls out of bounds at the first for an 11 and proceeded to the turn in 53. He finished strongly, completing in 94, after which he accepted an invitation from Player to have a lesson.

Player is undaunted, as every one else seems to be, by a telegram from the United Nations urging his withdrawal from the tournament. It came from the same source as the telegram which caused the removal of Balcan and Hayes from the World Cup. He has accepted a rather different situation.

When the course here becomes more mature, the fairways will be longer. The course is a spacer surrounded by a country, which seems not quite to have made up its mind whether it is to be a forest, with its striches inland from the coast, or to be more open scrubland of the sort which is the feature in the north.

One has the feeling that one is on the outskirts of the New Forest, with a soil impregnated with iron, is a course which is in any case not long. At present the greens, sown with Tifton grass, are easy to putt grass. In Townsend's opinion, easy to read. He should know for it is the second round he has scored a birdie in the professional prize with 66 and leading his team to victory. His male partner was Jonathan Arnold, a former French president who, by virtue of his skill as a test pilot, used to be called the fastest word in the world.

Gayley also found the inward half to his 104, scoring

Test may have five days despite washout

Falsified, March 5.—The first day of the second Test between Australia and Pakistan was abandoned without a ball being bowled on Tuesday because of heavy rain. The match was scheduled to start at 10.30 am but was postponed until 1.30 pm on Wednesday. The weather was bright and sunny the ground was in good condition and the pitch was considered to be a good one.

However, there is still a chance that the Test will be staged over five days. The Australian captain, Greg Chappell, said his team would agree to forego the rest day on Sunday to make up for today's washout. The Pakistan captain, Imran Khan, said his team would agree to play on Sunday to make up for today's washout.

Cheate moves to Surrey

The Sussex left-arm spin bowler, Clive Cheate, aged 25, is to join Surrey next season. The Sussex manager, Tony Buss, said yesterday that Cheate had been offered a contract by Surrey. Cheate, who is a regular in the first XI, has been playing in the Sussex team since 1974. Last season he played in only six championship matches, taking 20 wickets with an average of 20.0.

PGA hold junior Ryder Cup

The young golfers of Britain and Ireland will take on the United States in the Junior Ryder Cup match at Meres, Cheshire, on October 20-22. The top six boys and four girls will take part in the match. The Junior Ryder Cup is a biennial competition for young golfers. The match is held at Meres, Cheshire, on October 20-22. The top six boys and four girls will take part in the match.

A family affair at Pufford

Lu Lian-Huan of Taiwan was the winner of the Pufford International Open tournament at Pufford on August 2-3. He was followed by David D. Brown of the United States. The tournament was held at Pufford, a private club in Devon. The winner, Lu Lian-Huan, is a professional golfer from Taiwan. He won the tournament with a score of 137. David D. Brown, a professional golfer from the United States, finished second with a score of 138.

McLeod drops out

England's chances of retaining the world cross-country title in Paris on Sunday, suffered a blow yesterday when Barry McLeod withdrew. He has a groin injury and will be replaced by Barry Knight.

Racing

Sandown Park programme

5.20 LILAC HURDLE (Div 1: novices: £878: 2m)			
1000	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030201	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030202	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030203	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030204	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030205	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030206	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030207	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030208	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030209	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030210	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030211	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030212	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030213	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030214	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030215	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030216	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030217	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030218	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030219	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030220	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030221	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030222	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030223	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030224	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030225	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030226	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030227	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030228	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030229	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030230	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030231	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030232	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030233	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030234	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030235	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030236	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030237	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030238	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030239	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030240	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030241	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030242	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030243	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030244	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030245	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030246	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030247	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030248	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030249	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030250	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030251	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030252	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030253	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030254	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030255	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030256	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030257	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030258	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030259	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030260	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030261	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030262	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030263	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030264	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030265	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030266	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030267	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030268	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030269	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030270	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030271	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030272	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030273	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030274	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030275	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030276	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030277	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030278	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030279	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030280	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030281	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030282	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030283	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030284	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030285	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030286	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030287	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030288	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030289	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030290	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030291	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030292	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030293	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030294	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030295	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030296	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030297	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030298	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030299	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030300	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030301	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030302	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030303	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030304	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030305	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030306	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030307	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030308	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030309	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030310	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030311	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030312	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030313	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030314	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030315	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030316	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030317	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030318	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030319	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030320	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030321	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030322	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030323	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030324	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030325	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030326	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030327	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030328	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030329	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030330	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030331	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030332	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030333	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030334	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030335	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030336	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030337	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030338	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030339	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030340	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030341	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030342	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030343	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030344	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030345	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030346	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030347	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030348	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030349	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030350	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030351	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030352	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030353	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030354	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030355	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030356	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030357	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030358	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030359	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030360	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030361	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030362	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030363	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030364	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030365	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030366	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030367	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030368	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030369	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030370	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030371	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030372	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030373	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030374	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030375	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030376	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030377	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030378	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030379	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030380	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030381	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030382	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030383	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030384	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030385	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030386	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030387	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030388	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030389	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030390	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030391	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030392	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030393	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030394	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030395	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030396	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030397	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030398	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030399	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030400	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030401	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030402	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030403	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030404	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030405	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030406	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030407	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030408	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030409	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030410	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030411	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030412	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030413	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030414	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030415	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030416	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030417	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030418	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030419	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030420	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030421	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030422	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030423	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030424	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030425	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030426	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030427	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030428	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030429	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030430	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030431	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030432	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030433	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030434	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030435	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030436	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030437	Donna Maudslayi (D. J. Moore, 5-11-5)	G. Moore 7	
030438	Caroline Kelly (D. J. Moore, 5-11-5)	G. Moore 7	
030439	Donna Maudslayi (D. J. Moore, 5-11-5)		

JP 11/10/50

The first jeans cut for the times

Introducing America's new selling design—Gloria Vanderbilt Jeans. "The best for style and construction." It's their uncanny ability to make jeans that men along with their own wonderful tops, in a so popular. The jeans are now being sold in the most interesting styles and sizzling selected branches of When New York Men's Wear is sold in the finest of men's and Swan & Edgar.

Gloria Vanderbilt

Gloria Vanderbilt
by MURJANI

Geoffrey Smith

Labour MPs: how many at risk?

One of the weaknesses of Labour moderates in their constitutional battles against the left is that they give the impression of not trusting the party in the country. They do not want the National Executive Committee to have too much power over the manifesto, constituency parties to be able to exert too much pressure on MPs by submitting them to an automatic reselection process, or anybody outside the parliamentary party to have a vote in electing the leader. They fear the influence of irresponsible elements.

They have powerful reasons for doing so. But it is not good for public relations in a party that stands for greater equality and remains suspicious of elites.

One of the critical questions is whether to extend democracy within the party by giving all paid-up members a direct voice in the selection and reselection of parliamentary candidates, instead of leaving the choice to the general management committee in each constituency as at present.

The left does not favour such a change, insisting that it is the active members who are best equipped to choose a candidate and knowing full well that left-wingers form a much higher proportion of activists than of ordinary Labour supporters. So the left wants the full selection process in every constituency in each Parliament, whether there is a sitting Labour MP or not.

The shadow cabinet would as a whole prefer the party not to become embroiled at all in the messy business of constitutional reform. As it is too late to prevent that, the majority want to take their stand on the status quo, largely for tactical reasons. So the shadow cabinet is proposing to the parliamentary party that it should support the Mikardo compromise—the proposal which the party conference accepted in 1978 whereby each constituency general management committee would vote on whether to reselect a sitting MP, and only if it decided not to do so would a full selection process be held. This leaves the question of greater party democracy for the PLP to take up if it wishes to do so.

The demand is clearly growing, though the precise proposals vary. Diane Hayter, the general secretary of the Fabian Society, argued in a pamphlet in September, 1977, that each



Dr David Owen: a two-tier safeguard for Labour MPs.

constituency management committee should vote between each election on whether it wanted a sitting MP to stand again. If it did not, then the choice should be thrown open to all members of the party in the constituency.

The Campaign for Labour Victory in a pamphlet last month proposed that the full membership should decide whether to reselect an MP as well as making any final selection from an approved short list drawn up by the management committee. This position is supported in more general terms by a group of 30 backbenchers led by Mr Mike Thomas.

Dr David Owen is suggesting what is known as a two-tier safeguard, whereby the committee would recommend whether or not to reselect a sitting member and this recommendation, whenever it was, would come before a meeting of all members for ratification.

Most trade unions seem to be opposed to involving the full membership in the selection of parliamentary candidates because they fear that this would make it harder for them to get

their own sponsored candidates selected. But not all unions take this view. The Electrical, Electronic, Telecommunication and Plumbing Union is even arguing in favour of postal ballots.

Dr Owen has an interesting suggestion for an electoral commission which would be responsible for providing for postal ballots in trade unions, political parties, companies and other institutions, where the body concerned wished to have one.

But postal ballots within the Labour Party are bound to be no more than a long-term idea if only because the organisation and state of records in many constituencies would simply not be up to it. The key question now, though, does not concern the mechanics of how to bring all party members into decision-making. It is whether this should be done at all.

Three principal arguments are advanced for doing so. One is that it would prevent the left from having a monopoly on the theme of greater party democracy. That is simply a matter of party tactics. But the two

other considerations are of wider significance.

One is that it is not democratically healthy for such small groups to determine who shall sit in the House of Commons. Sometimes these groups are little more than cliques, but the general point holds true whether these are cliques or not. It may be illustrated by the example of one Labour MP who was chosen for a safe Labour seat by a majority of 18 to 16 on his GMC. For such a tiny majority in a small group effectively to decide who shall speak for an electorate of 45,000 is an absurdity.

The other argument is that it would be easier to recruit members into the party if they were then given a direct voice in choosing the parliamentary candidates. They have that at the moment only if they are prepared to endure the wearisome chore of serving on the management committee. Not everyone is convinced that this is the answer to the problem of recruitment. David Hughes, the Labour Party national agent, does not believe that this would be the decisive factor, which he regards as the readiness of existing members to go out and recruit others. The problem is particularly acute for Labour because it has suffered such a decline in individual membership. Unless this is rectified, Labour will become even more the party of the unions than it is at present. But there is a broader consideration concerning the legitimacy of all political parties.

With so many other calls on everyone's time these days, it may be that fewer people are prepared to join a political party. But the British political system depends upon parties representing and channeling public opinion. If they fail to represent the wishes of the voters in the policies they offer, or the candidates they choose, they will not fade away; but they will command progressively less public confidence not just for themselves but for the whole political process.

There is not, and I do not believe that in British conditions there ought to be, a primary system to perform this function in the choice of candidates. Which is why there is a special national as well as party interest in the parties broadening their popular base.

Last week Geoffrey Smith referred to an article in the *Guardian* by a Tory Reform. This should have read

Adding weight to the protectionist argument

The next six months will be a crucial time for the future of Britain

Expressions of dissent within the Tory Party, at all levels, should not obscure the fact that the great majority of backbenchers are steadfastly loyal to the Prime Minister in her endeavours—almost single-handedly it seems at times—to change our country's prospects. Her courage and clarity of vision won the election for us and, by their direct contribution to the size of our majority in Parliament, have endowed the Government with freedom to apply radical solutions.

Having said this, it must now be admitted that as Sir Keith Joseph declared in the past, "Monetarism is not enough." Unless the industrial reorganisation of Britain gets under way within the next six months, we shall be locked into a descending spiral of strong exchange rate, leading to cheaper imports, and compounding the difficulties of exporting goods that are already obsolete, poorly serviced and erratically delivered. The steady decline of our manufacturing industry will throw more and more of its participants on the labour "market," thus further loading the Public Sector. Borrowing Requirement (PSBR) with social security claims and denying the possibility of those reductions and incentives upon which the monetarist predictions of revival are based.

Those of us who reject the Mark I "lame duck" policies of the original U-turn none the less feel anxiety at the prospect of major strategic industries being run into the ground so hard that they are no longer capable of accommodation even the minor increases on the equipment side of the defence budget to which the party is electorally committed. Of course, to force us from rescue operations may improve the balance sheet on capital account, but the resulting drain in unemployment benefits and redundancy payments can

be almost on the same scale—much of it to be expended by the recipients on foreign imports and "job creation" overseas.

To control these imports, combining existing policies with traditional Tory protectionist attitudes would be more inconsistent than it was at the turn of the century, or in the Thirties. The decision would be a political one, but the case against it is nearly always economic. Perhaps this is because the political arguments in favour are so strong that those who seek to resist them prefer to fight on ground where they can make their own rules and communicate in their own sectarian codes.

To counter these arguments I have for the past three months been using the Treasury computer (subject to the disclaimer at the end of this article) to calculate the effect on the balance of payments—those two imbalances—"Halt" indicators in the old stop-go cycles—of different variations of import control.

Quite spectacular results can be obtained by imposing relatively small limitations. For example, controls could be imposed on 60 per cent by value of imports aimed at reducing the value coming into the country by 5 per cent a year from the present level. In addition, a 10 per cent surcharge imposed in 1980 could be raised to 20 per cent in 1981 and 30 per cent in 1982.

This produces a PSBR result—existing policy predicts a deficit of £1,100m in mid-1981 of £6,000m (£11,000m) and in mid-1982, £1,800m (£7,500m). On existing policies the balance of payments is still not in surplus by mid-1982, but with import controls there is a surplus of £940m in mid-1981 (mid-1982 £400m) and a surplus of £5,800m in mid-1982 compared with a deficit of £1,200m.

The principal political objection is the concept's association with the intertemporal left wing of the Labour Party. But this is to miss the real point, namely that the advantages of guaranteed markets, expanding job opportunities, increased investment and higher revenue would accrue under conditions of Tory freedom and mobility, unencumbered by the opposition's egalitarianism and social engineering of the Benitez variant.

Many of the incidental frustrations and irritants of present policies would disappear. For example, the offering of incentives, especially to those already enjoying substantial incomes, would no longer appear somewhat tactless, to put it no lower, when others find it difficult to get any employment at all. But once the borrowing requirement as a proportion of the gross national product ceases to decline, really substantial tax cuts become equitable as well as realistic.

The principal economic objection is that Britain "depends" on world trade and that realisation against our exports would be damaging.

Leaving aside the obvious rejoinder—that we have been in deficit on manufacturing trading account for the past 30 years so we can hardly be said to be benefiting from it—the realisation argument is far too facile. It assumes that exports will be both general and immediate. Neither is in the least likely.

Detailed analysis of import origins and export destinations shows that many sectors are likely not to be affected at all, others not significantly. And in no case would exports be on a scale comparable with either the advantages that a protected market would offer overall, or the damage threatening certain otherwise immune sectors (such as the commercial vehicle industry).

An objection that demands careful attention, however, is that import controls would still further "improve" the exchange rate because of the effect on the balance of payments. It is true that such an improvement is much less inflationary than increasing foreign earnings by devaluation. Nor would there be dangerous consequences for the money supply attendant on central bank intervention with the exchange rate.

The deeper I research the protectionist argument, the more I become convinced that it will stand up to any form of expert scrutiny. With both the Public Sector Borrowing Requirement and the balance of payments threatened, it can be seen that by as early as the autumn of 1982, really substantial freedom would devolve upon the Government to reflate in good time to win the next election—if I may express the political argument at its most realistic.

So there is a further attraction to traditional Tory protectionism—and one well suited to the Prime Minister's perspective instincts for the mood of the nation. The "stag economy" is a pejorative term, but within its definition is that latent nationalism and pride which even the most cynical may hope to feel once more, and without which no great political endeavour can succeed.

My own view is that the trade union movement cannot be subjugated. It can be brought into allegiance, but only in conditions of economic advance. A Pyrrhic victory against a background of dire industry and rising unemployment would disqualify for many years the Tory party's claim to govern in the national interest.

Since it is now fashionable to indicate alternatives by quotation from our political forefathers, may I remind Conservatives of Joe Chamberlain's words in 1905 at a factory meeting: "The manufacturer may save himself—he may invest his capital abroad where he is richer. But it is for you—the workers. I say to you the loss of employment means more than the loss of capital to any manufacturer. You cannot live on your investments in a foreign country. Your life is in the labour of your hands and if that labour is taken from you, you have no resources except perhaps to learn French or German."

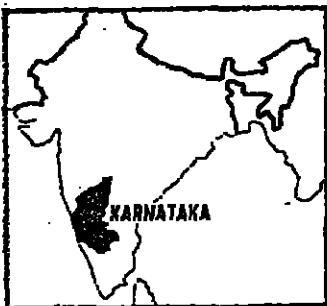
The simulation referred to above was undertaken on the Treasury Macroeconomic Model (including the experimental monetary policy) through the aid of the Economic Modelling Unit. It is not a Treasury forecast and incorporates assumptions which do not necessarily correspond to Treasury thinking.

Alan Clark

The author is Conservative MP for Plymouth, Sutton.

The begging bowl could be out again

Richard Wigg concludes his five-part survey of Indian rural life with a visit to a village in the Karnataka province



The headman got elected on a promise of providing permanent drinking water to the village by the end of 1979. It still has not arrived. It would replace two wells, one for the Untouchables and one for the rest of the villagers, at which long lines of women, up to 30 each morning, have presently to wait to fill their pots, often adding an extra hour to their already long days. These wells go dry during the year.

If there was less stepping in by the politicians, taking sides and exploiting our factions, there might be greater unity among us villagers and so more development." One of the "opposition" farmers observed one night.

More than 80 per cent of India's 630 million inhabitants still live in the country's more than 500,000 villages and a generation after the country's

first Five Year Plan launched independent economic development in 1952 seems a good time to judge results. Three quarters of India's total agricultural produce (by weight) still does not come on to commercial markets, being consumed directly by those who produce it. Less than 40 per cent of the villages are connected to all-weather roads and less than one third of adult villagers can really read or write.

The progress achieved has not only sharply varied from region to region but always been refracted by those indigenous values of religion, society, and economic individualism still powerful in village India.

The price of progress has been a new dependence by the villagers on the market towns and cities of India, economic, political, and cultural in the sense of offering a rival pattern of living which it is hardly possible to exaggerate. India's market towns have become the real power centres, today dominating the rural majority of the nation who live dispersed in small, backward nuclei. Rural India is not an open society, only an opening society still largely within predemocratic

moulds. Land remains the key to power in rural India and in the skewed rural progress of the past 30 years all men of property have benefited in direct proportion to the land owned.

A democratic system of government is usually seen as a means to bring increasing social justice. In India over the past 30 years the rural electorate has primarily served as a "vote bank" for the politicians from the urban centres. Every five years or so the politicians come from the towns, where they live, purveying their promises and the villagers, lined up in their factious, have a fleeting chance to exercise an influence.

The politicians clearly have no interest in freeing the deserted villages, deserted in the sense of Oliver Goldsmith's famous poem but because the politicians have deserted the real causes of the villagers'—from a convenient dependence, dispensing their services to the better organized, higher castes in return for a block of votes. There is a serious lack of the spirit of self help among India's villagers, but dependence goes far to explain the failure to develop robust organs of vil-

lage local government, blocked by the professional politicians. The influence wielded by the "new dominant rural" castes helps explain the lack of greater opportunities for more balanced social and economic development. Congress after independence dreamed of India becoming a "cooperative commonwealth" with the excess holdings from land reform then expected to go to multi-purpose village cooperatives. But so inegalitarian a society could not produce sturdy coop members from a caste-ridden landless peasantry. Typically, the only successful cooperatives are among the dairy farmers of Gujarat and the sugar mills of Maharashtra, both dominated by prosperous farmers.

In the absence of a vigorous national farmers' cooperative movement the agricultural tasks facing India can only be accomplished, if at all, by encouraging the average size of agricultural units to rise still further to permit more intensive modern farming. But no politician surviving on adult suffrage has dared to say that.

In India the average size of individual smallholdings is going down rapidly due to increasing population pressure as Dr M. S. Swaminathan, the country's Agricultural Secretary, told an international agricultural experts' seminar in Hyderabad last September. He gave alarming new figures showing how in Uttar Pradesh and Karnataka the number of marginal smallholdings (below one acre) has gone up by 12 and 17 per cent between 1971 and 1977. Already the 1971 census had shown more than half India's farmers were marginal. Data

prepared last year for the draft Sixth Five Year Plan show 61 per cent of rural households now own no land or only marginal uneconomic fragments of one hectare or less.

It is these stark figures which make so hazardous the official goal set by the Janata Government for doubling the country's foodgrains production to reach 230m metric tons over the next 20 years. How to develop high yield, high stability technologies for very small farms, how, with nearly 70 per cent of India's total cultivated area entirely dependent on monsoon rains, to get efficient irrigation schemes to the mass of small farmers? How about all India's state agricultural bureaucracy, admitted by senior agricultural officials to be lacking in both professional skills and sense of mission, leave their desk jobs in the market towns and go and work and live among the small farmers?

Dr Swaminathan, the former optimistic of the Green Revolution, warned last year if India did not manage to implement a highly complex package of land reforms, effective marketing, storage, and distribution of foodgrains, and special measures to help the poorer farmers overcome handicaps "we will have to carry the begging bowl again." Now he has just added another problem—how to finance the spiralling energy bills of India's high cost modern agriculture? But even Dr Swaminathan's tall order still ignores the almost 50 per cent of India's population already below the hunger line today; and most of them are in India's villages. Is no solution envisaged for them?

CAMPAIGN DIARY



Surprise, but what about March 18?

Washington

The joy of this presidential election has been the series of stunning surprises inflicted upon us by the various electorates. The first, the great rush of adrenalectomy to the fingertips of all those scribbling reporters desperately re-writing their pieces, was Mr Ronald Reagan's sweeping victory over Mr George Bush in the New Hampshire primary.

We had all got it wrong, reporters and politicians together, expecting a close race between the two. Bush had the "big mo" (momentum), we thought, he might easily win in New Hampshire and carry the nomination at a jog.

Then came the Anderson surprise. Equally perspicacious reporters and experts had unanimously insisted that he had a hope. His astonishing performance in Massachusetts and Vermont (he came a close second in each state) and the predictions whirling again.

Could he possibly make it all the way? Might he even win? The big test is on March 18, in Illinois (the congressman from a rich north-western part of the state). If George Bush's balloon finally comes to earth then, the race will be between Reagan and Anderson.

The Anderson press plane will be full by then—only he has not got a plane, let alone a press plane. Mr Bush has one, with a large stuffed gorilla as mascot. Teddy Kennedy started with two, dropped one immediately and lost the other

after his Iowa disaster.

The press corps had expected an easy unexciting campaign. But when Bush was clobbered in New Hampshire, there was much rejoicing among the boys on the bus. Not out of any vindictiveness, you understand. It just made a far better story. The Bush people thought us positively ghastly.

For a brief moment, until next Tuesday in fact, Senator Kennedy can bask in the assurance that he has won far more votes than far than President Carter, and therefore more delegates to the nominating convention. Furthermore, he won them in Massachusetts, which will go Democrat in November, while Mr Carter won Iowa, Maine, New Hampshire and Vermont, which will probably go Republican this year. They did in 1976.

Bow street runner

One of the pleasures of rushing around the country for elections is that one can usually find time to visit the local art galleries. A reporter on the Bush campaign plane discovered the other day that the Walker Gallery in Minneapolis, Minnesota, was exhibiting a selection of works from Picasso's private collection. A Musée Picasso is to be opened in Paris next year and in the meantime, the paintings have gone to the Midwest. A bus was organized, tickets were bought, and assorted political reporters abandoned George Bush for quite different pleasures.

Manchester, New Hampshire, the media capital of America

once every four years, also has a fine art gallery. In 1976 its director was a former London policeman, Mr David Brook, once stationed in Bow Street. He studied art at Harvard and in due course was sent to Manchester's Currier Gallery.

It has a lot of fine local furniture (one piece was sent The Times by a local artist, a fine Monet and an equally fine Constable, and works by Degas, Greuze, Tintoretto, Rubens and Romney and a Picasso. It also has some nice American silver.

Mr Brook has now been promoted, and directs the Clarke

Institute in Williamstown, north-east Massachusetts, which has a vast collection of Impressionists (Mrs Clarke loved Renoir) and the second finest collection of silver in America. The best is in Boston. New Hampshire was a general election for American reporters. It seemed as though everyone who had been there in 1976 was back again, four years older but otherwise unchanged.

The hotel in the centre of Manchester where both the press were based in 1976, has been converted to an old people's home. This was the place where Jimmy Carter savoured his first victory 28 years ago over a crowded field. Otherwise, the place has hardly changed at all, and the numbers of correspondents, from all over the world, is as great as ever. A bit of novelty was provided by Mr Lyndon LaRouche, running for the Democratic nomination, who had a bus driving around Manchester with loudspeakers blaring the fine from Fidelity.

His campaign includes a promise to suppress drugs. He believes that the British Royal Family is behind the international drug trade. He runs a cult, rather like the Moonies, and has many young Jewish followers. He also thinks that the protocols of the Elders of Zion are genuine.

Buttoned down

One change since 1976 is in Mr Ronald Reagan's hair-style. During the last campaign, it was of a rather startling hue, and Mr Reagan was not very much remarked. But now he has a more conventional, dark shading to grey, streaked with white. The most exciting hair style is worn by Mr John Anderson, who is platinum blond, and has a Greek twist in his campaign buttonhole, which is appropriate: your true Republican thinks him a pinks, at the very least.

Not that colours mean all that much: a few people this year have got out 1976 Reagan buttons, and a few have shaped up a Reagan for president "printed on them," followed by a sticker marked "80," covering up the original date. The largest button I have seen this year (and eagerly sought-after it is) is Harold Stassen's. It, too, is red. His last button was white, with flecks of red and a leaching red crescent on each side. He has been running for president since the 40s, and has had lots of practice in button design.

Stay-at-home

Meanwhile, President Carter stays in the White House or takes long weekends in Camp David, Maryland, where he is practising cross-country skiing. This is known as a "rose garden" campaign, in older times it was called a front porch campaign.

The idea was that the candidate would stay at home, sitting on his front porch, letting the world pass him by. One of its most successful exponents was Senator Warren G. Magnuson of Washington, who was swept into the White House in 1920 with an enormous majority without campaigning at all.

Governor John J. Pataki of New York tried the same tactic in 1948, and came a spectacular cropper. Mr Richard Nixon said in 1972, "I was a 'rose garden' strategy that Mr Carter is now using. At frequent intervals during 1972, he would sell forth into the garden at the White House, to make some announcement, or receive some visitor, and so be recorded by television doing his presidential duty.

Mr Carter, of course, does not go into the garden in mid-winter, but managed to appear frequently on television. He is reminding voters that he has better things to do than grab around for votes with Senator Kennedy and Governor Brown. He has promised to stay in the White House (not in Camp David) until the hostages are released in Tehran.

Mr Kennedy and Mr Brown pray every night that he will trip on his robes or his silk slippers on Monday night's prayers were answered, President Carter managed one of those foreign policy disasters of which he has the secret recipe.

He had allowed the United States to approve a Security Council resolution that criticized Israel on Saturday, and when the protests came flooding in, he abruptly reversed himself, turning Cyrus Vance for a failure of communication.

It was vintage Carter, an object lesson on how to fall between two stools. Mr Kennedy still more the rule of 1950 is going to be a splendid year.

AN APOLOGY

The Times apologises to Mr John Pataki of New York for the error in the London Diary yesterday.

THIS WEEK

The legend of Madoc

The life of Auden

Donald Davie on Kenneth Allott

Stokowski's career

TLS

THE TIMES LITERARY SUPPLEMENT

Every Friday 30p



New Printing House Square, London, WC1X 8EZ. Telephone: 01-837 1234

THE TUNNEL SURFACES AGAIN

After an interval of five years, the tide is running strongly for a fixed link between Britain and Europe. Notably for the single-tube rail-only tunnel that British and French railways had the presence to not out before other contenders were ready. What should Britain's attitude be?

This is a very different animal from that killed off by Britain in 1974, much to the chagrin of our partners in France. Its modest purpose is to provide a direct connection between the British and European railway systems so that trains could run through as if the Channel were not there. As such it would be of primary benefit to the railways and those who use and finance them. It would be nice for travellers from Britain to catch fast through-trains to Paris, Brussels, Cologne, and vice-versa (which would offer some relief to the airports), for freight forwarders to load up in Britain for distant continental destinations, and vice-versa (which would offer some relief to the roads); and for the Treasury, which currently supports British Rail to the tune of around £500m a year, to see a step taken at no cost to the taxpayer that could markedly improve British Rail's traffic, market prospects, and financial performance. The single-tube tunnel, for all the operating problems it would seem to the layman to raise, should help to achieve those limited ends.

BBC'S SENSE OF PRIORITIES

Of all the BBC's proposed cuts it is the intention to disband five of its orchestras that has received the most vigorous criticism. This is not surprising. A good orchestra attracts its own circle of appreciative listeners, and national or regional sentiments as well as a musical following are attached to most of the orchestras in question. But at a time when the BBC unquestionably does have to make economies it would be unrealistic to insist that it has a duty to keep going all the existing eleven. They are more than the corporation requires for its broadcast output, and they are there in such number today as an expression of the BBC's traditional role as a patron of serious music. That is an honourable role which has been of much value to the wider cultural life of the country, but it would not be sensible to demand that it should be maintained in the future, when retrenchment is required, at a level far in excess of broadcasting needs, especially as some of the regional orchestras are of distinctly inferior quality. It does not follow, though, that the BBC has decided to eliminate the right ones. Indeed, one might suspect that in

connexion was strictly ancillary to the main function of providing a "submerged ferry" carrying road traffic between big new British and French terminals at either end of a railway shunt beneath the Channel. The huge volume of traffic moving this way was the main purpose of the twin-tunnel and the main potential source of profit to private-sector promoters. It was also the main object of criticism. For the canalization of traffic through London and Kent; the spur to development in the south-east where it was not wanted; the artificial (since it would have been supported by Government guarantees) concentration of traffic on a particular route in the wrong place at the expense of a proliferation of flexible ferry routes across the east and south coast (which has in fact happened since 1974) — all this was against Britain's interest, however much the project might favour France.

France, it has been noticeably cool towards its latest initiative, and this could be not so much from pique over Britain's action in 1974, as conviction that, though the rail tunnel would be beneficial to France by helping her railways like Britain's, the submerged ferry would be even more so. It would tend to canalize Britain's continental trade and tourism through France and enable her to use it; and stimulate regional development in the Pas de Calais where (unlike London and the south-east) it is badly needed.

IN THE BEST TRADITIONS OF THE ARMY

Some form of decoration to commemorate the work of those troops who helped to liberate the ceasefire in Southern Rhodesia is reportedly under consideration in Whitehall. A decision will depend upon protocol and no doubt to some extent upon the events of the next few weeks or even months. However well deserved, a commemorative medal or whatever might seem curiously inappropriate if the transition to independent rule in Zimbabwe were to go wrong. And there is opportunity still for it to do so.

Social service spending

Mr. Jack Harrison, Secretary of State for Social Services, has indicated that only 1 per cent of the budget of local social service departments went to voluntary organizations. If this is correct in relation to the study which was headed by three English towns, it does not reflect the pattern generally. Those unfamiliar with such matters often fail to identify the substantial contributions made to voluntary agencies providing residential or day care. In Dorset, for example, financial help to the voluntary sector in 1979-80 amounted to £600,000, or 5 per cent of the social services budget. If this is typical, it throws doubts on Mr. Harrison's conclusion about the need for a reallocation of resources.

Eye-protectors for squash

Mr. J. Harrison, Secretary of State for Social Services, has indicated that only 1 per cent of the budget of local social service departments went to voluntary organizations. If this is correct in relation to the study which was headed by three English towns, it does not reflect the pattern generally. Those unfamiliar with such matters often fail to identify the substantial contributions made to voluntary agencies providing residential or day care. In Dorset, for example, financial help to the voluntary sector in 1979-80 amounted to £600,000, or 5 per cent of the social services budget. If this is typical, it throws doubts on Mr. Harrison's conclusion about the need for a reallocation of resources.

Stand-up comic

From Lord Greenhill of Harrow
Sir, At the kerb on the corner of Bridge Street and Parliament Square, SW1, there is a short metal bollard. It is painted gold to match the pedestrian railings which it is designed to protect. In the last six months, to my observation, it has been knocked down at least 10 times, possibly more. It is down again this morning. After it is knocked down it is promptly reerected and for a day or two is protected by flashing lights until the cement sets. Then the process begins again. I understand that the trailing wheels of juggernauts are responsible for the most part.

Song of the shirt

From Mr Ernest Pendrous
Sir, In my local launderette, over a row of drying machines there is a sign which reads: "10p runs 10 minutes".

to the twin-tunnel remain as strong as ever, must be for the rail-only tunnel, provided it can be built without cost to the taxpayer. According to the consultants Coopers and Lybrand in their report to the EEC, it would yield a return of 14 per cent over inflation; ample to attract the private investor.

This conclusion needs to be tested in the months ahead by further refining of the details of the railway scheme, and soundings in the financial markets. Meanwhile the British and French governments should start to prepare a treaty setting out the terms under which some body would build and operate the tunnel, and the railways use it. Ideally such terms would allow the greatest possible degree of commercial freedom to both parties, who would be in any case in competition with other modes, subject only to the kind of regulation it has traditionally been thought proper to impose on privately financed public utilities.

No doubt the EEC, which indicates privately a keen interest in helping to finance this politically and economically significant addition to Europe's transport infrastructure, will want to be involved. No doubt France, once Britain's interest was declared, would characteristically raise the price for agreeing to it, though a rail tunnel would be in her interest too. No doubt the EEC would be caught in the cross-currents. All of which is good reason why Britain should clarify her thoughts, and, once clarified, press her interest with determination.

Water rates and the aged

From Mr John Bray
Sir, The retired and old householders are suffering from increasing poverty as a result of the constant rise in the occupation tax known as general rates and in bills for gas and electricity, and now water rates have become a burden with all the bills stamped with the importunate stamp "Urgent". Some alleviation can be got of the general rate if, after a long and arduous process of rebate is given, in the case of the water rate, although this is based on rateable value, and in no way corresponds with the amount of water consumed, the water authorities state that even if a rate rebate is given it does not apply to those who have no rebate on water charges, and a solitary person occupying a "hereditament" has to pay as much as if it were swarming with a large family all having daily baths.

False criteria

From Mr Frank Milner
Sir, Geraldine Norman (report, February 26) adopted a sensational approach in her article on Dr Dreyer's recent reattribution of Titian's drawings. Her recurrent use of the word "forgery" is a full-time "forgery" and the suggestion that Dr Dreyer has "exposed" this deception distorts and exaggerates the facts.

Not so stuck-up

From Mr C. R. Gee
Sir, As a civil servant in a large Government department, one of my colleagues asked me the other day: for some red tape (for a label making machine).

The price of democracy

From Mr Stephen Corrin
Sir, Mr Jimmy Reid's price on Democracy (March 3) is unexceptional as far as it goes. But, oddly, it does not mention the right to work and it provokes the question whether there is such a thing as a right to refuse to be persuaded not to work.

Monetarism and inflation

From Mr Robert Adley, MP for Christchurch and Lynton (Conservative)
Sir, "Britain seen as battle ground for rival economic theories" seems a particularly appropriate heading above the letters today (March 3) from Professor Galbraith and Professor Lord Kaldor. Permitting myself a wry smile at socialist professors who write from the Ritz Hotel or King's College, Cambridge, I am minded to express the view that Britain is suffering from the actions of too many foreign economists — be they of Left or Right.

Balancing society's view of industry

From Professor T. M. Husband
Sir, It is revealing to compare the reactions of readers of The Times to two recent reports: Flowers and Finniston. One report deals with the restructuring of medical education in one city, the other with the restructuring of engineering education across the entire nation. Yet the former attracts loud, almost frenzied comment, while the latter draws sparse correspondence which is relegated to the Business pages.

What makes The Times decide to devote large areas of leader page correspondence to Flowers and only a few columns in a less exalted page to Finniston? Can it really be true that medical education in London is so much more important to the readership than the future of our manufacturing industries? Of course not. It is simply The Times, acting in its traditional role of "the notice board of the Establishment". Despite the brave words in your editorial on Finniston you have, I submit, Sir, done little to give the lead in balancing society's view on the importance of industry in general and engineering in particular.

There is a desperate need for the media to present the true picture of British industrial life. There is an urgent need for our leadership to become more aware of the facts of industrial life. Let me offer just one tiny example. In a recent exchange in the House of Commons, Mr John Knott, our Minister for Trade, was questioned on his visit to Japan.

In the course of his answer he conceded (apparently complacently) that he had no idea what was meant by industrial robots. This is probably analogous to a Minister for Health confessing he had never heard of heart transplants! The extent of ignorance surrounding technology is disproportionately large and needs to be righted.

By adopting a more positive approach, The Times might just cause the Establishment to look at different ways of promoting policies which hurry to tell us they owe their lives to the Westminster Hospital might also feel inclined to tell us they owe their education and lifestyle to the success and fruits of British industry. Some readers might also be more balanced view of those "trade unions" which are currently exercised at the prospect of their firms closing in exactly the same way as the Establishment is excited about the consequences of the Flowers recommendations.

Britain requires leadership based on a greater awareness of the role of the driving industry with all its problems and challenges. The Times cannot be expected to give the leadership, but it is surely obliged to provide the awareness. I am, Sir, yours faithfully, TOM HUSBAND, 30 Homefield Lane, Rothley, Leicestershire, March 3.

Water rates and the aged

From Mr John Bray
Sir, The retired and old householders are suffering from increasing poverty as a result of the constant rise in the occupation tax known as general rates and in bills for gas and electricity, and now water rates have become a burden with all the bills stamped with the importunate stamp "Urgent". Some alleviation can be got of the general rate if, after a long and arduous process of rebate is given, in the case of the water rate, although this is based on rateable value, and in no way corresponds with the amount of water consumed, the water authorities state that even if a rate rebate is given it does not apply to those who have no rebate on water charges, and a solitary person occupying a "hereditament" has to pay as much as if it were swarming with a large family all having daily baths.

False criteria

From Mr Frank Milner
Sir, Geraldine Norman (report, February 26) adopted a sensational approach in her article on Dr Dreyer's recent reattribution of Titian's drawings. Her recurrent use of the word "forgery" is a full-time "forgery" and the suggestion that Dr Dreyer has "exposed" this deception distorts and exaggerates the facts.

Not so stuck-up

From Mr C. R. Gee
Sir, As a civil servant in a large Government department, one of my colleagues asked me the other day: for some red tape (for a label making machine).

The price of democracy

From Mr Stephen Corrin
Sir, Mr Jimmy Reid's price on Democracy (March 3) is unexceptional as far as it goes. But, oddly, it does not mention the right to work and it provokes the question whether there is such a thing as a right to refuse to be persuaded not to work.

LETTERS TO THE EDITOR

Bus fare payments by schoolchildren

From the Bishop of Peterborough
Sir, The Government would do justly and wisely to make payment by local education authorities for the transport of schoolchildren from one village to another mandatory. Dozens of village schools have been closed in the past 20 years under the assumption that such transport would be provided free.

If parents are now to be made to pay, then those who live in villages which have no school will incur expense which others, who live in the place where the school is, will not be called upon to make. So, too, will those parents be penalized who opt to send their older children to the nearest Church school, which may be many miles away.

Adamantine recalcitrance in unrefined economic theory is not the first and great commandment for governments: there are proper political and moral considerations to make. False antitheses are already being propagated by local authorities that the one choice is between books and children's transport, and between teachers' and children's bus fares. Let the authorities first scrutinize their own administrative superstructures for economies.

Yours truly, A DOUGLAS PETRIBURG, House of Lords, March 5.

Monetarism and inflation

From Lord Ridley
Sir, I refer to the letter from Mr James Pawsey, MP, and Mr Roger Moore, MP (February 22), on the question of charges for school transport. They repeat concern expressed by members of the House of Commons in the debate on the Education Bill.

The Association of County Councils faced a situation last summer in which it was clear that public expenditure generally would have to be reduced. It was not, however, to believe that any particular local government service could be protected entirely from the consequences of such a decision. At the

Monetarism and inflation

From Mr Robert Adley, MP for Christchurch and Lynton (Conservative)
Sir, "Britain seen as battle ground for rival economic theories" seems a particularly appropriate heading above the letters today (March 3) from Professor Galbraith and Professor Lord Kaldor. Permitting myself a wry smile at socialist professors who write from the Ritz Hotel or King's College, Cambridge, I am minded to express the view that Britain is suffering from the actions of too many foreign economists — be they of Left or Right.

Margaret Thatcher's appeal to the electorate last May was based on her sound commonsense and espousal of simple traditional Conservative philosophy. This appeal has not diminished. Yet unease is expressed in certain quarters at the Government's progress. Perhaps this is because the Government is paying too much attention to political theory and concentrating too little on repeating consistently the commonsense which was the basis of its election victory.

Governments are like trains: they leave the station after the election and gather speed as they travel towards their destination. If they go too fast they may come off the rails. If they ignore the need to communi-

Badge of courage

From Professor Margaret Gowing, FBA
Sir, In The Times of February 19 Dr Divita shows the BBC's epic episode about the battle of Matapan as false. Similar objection must be taken to a film which has been made under the title A Man Called Intrepid.

A substantial part of the film consists of a seriously misleading account of the wartime activities of Niels Bohr, who was not only one of the great physicists, but one of the great human beings of this century. I understand that, inter alia, it shows Bohr sitting in a heavy-water laboratory in occupied Norway doing work of decisive importance for Germany's atomic bomb project.

The true facts are publicly available: until he escaped to England Bohr remained in occupied Copenhagen, working with courage and dignity the Jews and other refugees at his great Institute, and refusing any tentative bait held out by

False criteria

From Mr Frank Milner
Sir, Geraldine Norman (report, February 26) adopted a sensational approach in her article on Dr Dreyer's recent reattribution of Titian's drawings. Her recurrent use of the word "forgery" is a full-time "forgery" and the suggestion that Dr Dreyer has "exposed" this deception distorts and exaggerates the facts.

Not so stuck-up

From Mr C. R. Gee
Sir, As a civil servant in a large Government department, one of my colleagues asked me the other day: for some red tape (for a label making machine).

The price of democracy

From Mr Stephen Corrin
Sir, Mr Jimmy Reid's price on Democracy (March 3) is unexceptional as far as it goes. But, oddly, it does not mention the right to work and it provokes the question whether there is such a thing as a right to refuse to be persuaded not to work.

same time, it wished to protect so far as possible the essential central fabric of the education service and believed that local education authorities should be given the freedom to decide whether or not to levy charges for services such as school transport and school meals. The Government's expenditure plans include an assumption that money will be saved on meals and transport. If it is not saved on those services then it is likely to have to be found from other areas of spending and in particular, so far as education is concerned, from spending on jobs in schools and allowances for books and materials.

The proposals in the Bill do not "abolish free transport": neither do they oblige authorities to set charges at a particular level. The Government has however agreed with the association's suggestion that the Bill should include a proposal to protect the interests of families in the lowest income groups. Beyond that each authority would remain free to set a reasonable level of charge, or none, and to decide whether any further assistance was needed, according to local circumstances. We very much support the Government's amendment which will ensure that where authorities decide to charge it will be on a flat rate basis. Different communities and different patterns of education have different needs. Local education authorities are responsible to the ratepayers on one hand and the community for whom they provide a service on the other. The proposals in the Bill give them a chance to weigh needs against means and take decisions that reflect the local situation. I hope that Parliament will agree to allow local authorities this additional freedom.

Yours, etc, RIDLEY, Association of County Councils, Eaton House, 66a Eaton Square, SW1.

Monetarism and inflation

From Mr Robert Adley, MP for Christchurch and Lynton (Conservative)
Sir, "Britain seen as battle ground for rival economic theories" seems a particularly appropriate heading above the letters today (March 3) from Professor Galbraith and Professor Lord Kaldor. Permitting myself a wry smile at socialist professors who write from the Ritz Hotel or King's College, Cambridge, I am minded to express the view that Britain is suffering from the actions of too many foreign economists — be they of Left or Right.

Margaret Thatcher's appeal to the electorate last May was based on her sound commonsense and espousal of simple traditional Conservative philosophy. This appeal has not diminished. Yet unease is expressed in certain quarters at the Government's progress. Perhaps this is because the Government is paying too much attention to political theory and concentrating too little on repeating consistently the commonsense which was the basis of its election victory.

Governments are like trains: they leave the station after the election and gather speed as they travel towards their destination. If they go too fast they may come off the rails. If they ignore the need to communi-

Badge of courage

From Professor Margaret Gowing, FBA
Sir, In The Times of February 19 Dr Divita shows the BBC's epic episode about the battle of Matapan as false. Similar objection must be taken to a film which has been made under the title A Man Called Intrepid.

A substantial part of the film consists of a seriously misleading account of the wartime activities of Niels Bohr, who was not only one of the great physicists, but one of the great human beings of this century. I understand that, inter alia, it shows Bohr sitting in a heavy-water laboratory in occupied Norway doing work of decisive importance for Germany's atomic bomb project.

The true facts are publicly available: until he escaped to England Bohr remained in occupied Copenhagen, working with courage and dignity the Jews and other refugees at his great Institute, and refusing any tentative bait held out by

False criteria

From Mr Frank Milner
Sir, Geraldine Norman (report, February 26) adopted a sensational approach in her article on Dr Dreyer's recent reattribution of Titian's drawings. Her recurrent use of the word "forgery" is a full-time "forgery" and the suggestion that Dr Dreyer has "exposed" this deception distorts and exaggerates the facts.

Not so stuck-up

From Mr C. R. Gee
Sir, As a civil servant in a large Government department, one of my colleagues asked me the other day: for some red tape (for a label making machine).

The price of democracy

From Mr Stephen Corrin
Sir, Mr Jimmy Reid's price on Democracy (March 3) is unexceptional as far as it goes. But, oddly, it does not mention the right to work and it provokes the question whether there is such a thing as a right to refuse to be persuaded not to work.

Cuts in the BBC's music services

From the General Secretary of the Musicians' Union
Sir, The innate kindness of my good friend Ian Wallace (March 4) has, I fear, lured him into a false analysis of the relationship between the BBC and British musicians.

The simple facts are these. The BBC needs an enormous amount of music of all types for its services. Much of this music, both of necessity and because of the Corporation's obligations in the matter of people's content, is produced by British musicians. The present BBC management finds it all rather troublesome to have the responsibility of employing people to produce this essential element in its programmes and would prefer to rely upon others, notably the commercial record industry—to bear its responsibility. The British music profession has no intention of letting it do so.

Yours sincerely, JOHN MORTON, General Secretary, Musicians' Union, 60-62 Clapham Road, SW3, March 5.

Monetarism and inflation

From Lord Ridley
Sir, I refer to the letter from Mr James Pawsey, MP, and Mr Roger Moore, MP (February 22), on the question of charges for school transport. They repeat concern expressed by members of the House of Commons in the debate on the Education Bill.

The Association of County Councils faced a situation last summer in which it was clear that public expenditure generally would have to be reduced. It was not, however, to believe that any particular local government service could be protected entirely from the consequences of such a decision. At the

same time, it wished to protect so far as possible the essential central fabric of the education service and believed that local education authorities should be given the freedom to decide whether or not to levy charges for services such as school transport and school meals. The Government's expenditure plans include an assumption that money will be saved on meals and transport. If it is not saved on those services then it is likely to have to be found from other areas of spending and in particular, so far as education is concerned, from spending on jobs in schools and allowances for books and materials.

The proposals in the Bill do not "abolish free transport": neither do they oblige authorities to set charges at a particular level. The Government has however agreed with the association's suggestion that the Bill should include a proposal to protect the interests of families in the lowest income groups. Beyond that each authority would remain free to set a reasonable level of charge, or none, and to decide whether any further assistance was needed, according to local circumstances. We very much support the Government's amendment which will ensure that where authorities decide to charge it will be on a flat rate basis. Different communities and different patterns of education have different needs. Local education authorities are responsible to the ratepayers on one hand and the community for whom they provide a service on the other. The proposals in the Bill give them a chance to weigh needs against means and take decisions that reflect the local situation. I hope that Parliament will agree to allow local authorities this additional freedom.

Yours, etc, RIDLEY, Association of County Councils, Eaton House, 66a Eaton Square, SW1.

Monetarism and inflation

From Mr Robert Adley, MP for Christchurch and Lynton (Conservative)
Sir, "Britain seen as battle ground for rival economic theories" seems a particularly appropriate heading above the letters today (March 3) from Professor Galbraith and Professor Lord Kaldor. Permitting myself a wry smile at socialist professors who write from the Ritz Hotel or King's College, Cambridge, I am minded to express the view that Britain is suffering from the actions of too many foreign economists — be they of Left or Right.

Margaret Thatcher's appeal to the electorate last May was based on her sound commonsense and espousal of simple traditional Conservative philosophy. This appeal has not diminished. Yet unease is expressed in certain quarters at the Government's progress. Perhaps this is because the Government is paying too much attention to political theory and concentrating too little on repeating consistently the commonsense which was the basis of its election victory.

Governments are like trains: they leave the station after the election and gather speed as they travel towards their destination. If they go too fast they may come off the rails. If they ignore the need to communi-

Badge of courage

From Professor Margaret Gowing, FBA
Sir, In The Times of February 19 Dr Divita shows the BBC's epic episode about the battle of Matapan as false. Similar objection must be taken to a film which has been made under the title A Man Called Intrepid.

A substantial part of the film consists of a seriously misleading account of the wartime activities of Niels Bohr, who was not only one of the great physicists, but one of the great human beings of this century. I understand that, inter alia, it shows Bohr sitting in a heavy-water laboratory in occupied Norway doing work of decisive importance for Germany's atomic bomb project.

The true facts are publicly available: until he escaped to England Bohr remained in occupied Copenhagen, working with courage and dignity the Jews and other refugees at his great Institute, and refusing any tentative bait held out by

False criteria

From Mr Frank Milner
Sir, Geraldine Norman (report, February 26) adopted a sensational approach in her article on Dr Dreyer's recent reattribution of Titian's drawings. Her recurrent use of the word "forgery" is a full-time "forgery" and the suggestion that Dr Dreyer has "exposed" this deception distorts and exaggerates the facts.

Not so stuck-up

From Mr C. R. Gee
Sir, As a civil servant in a large Government department, one of my colleagues asked me the other day: for some red tape (for a label making machine).

Family Favourite.



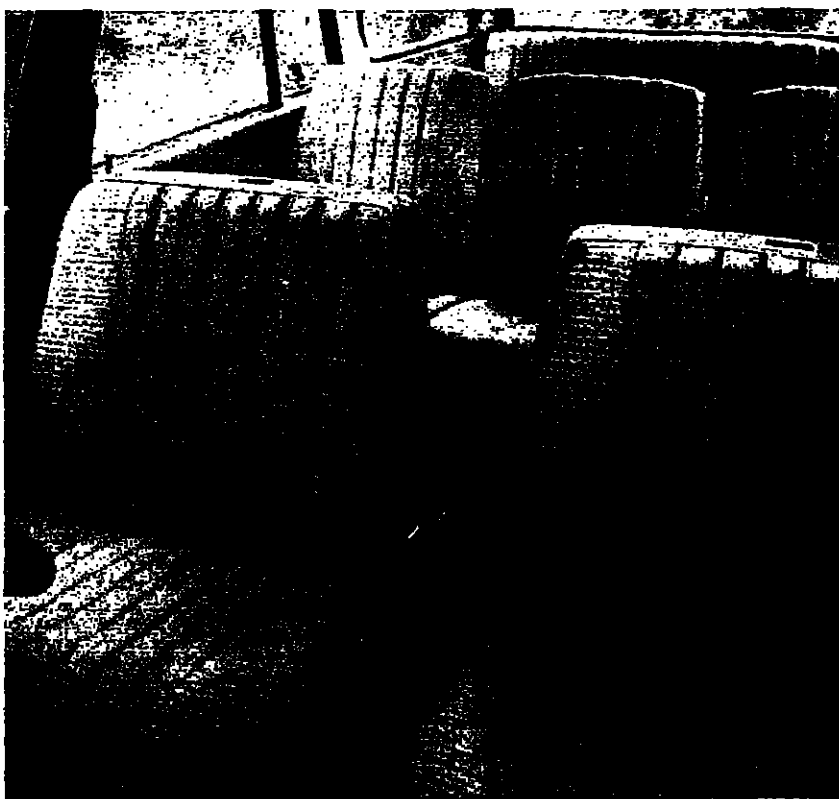
Peugeot 504 Family Estate

The Peugeot 504 Family Estate is the favourite for all the family. Because with its *three rows of forward-facing seats* it's the sumptuous solution to your transport problems.

The cloth-upholstered seats are deep and comfortable, because more comfort for the family and their friends means a more relaxed atmosphere for the driver, and a safer journey for everyone.

The 504 Family is big, comfortable and simplicity itself to drive, with *power-assisted steering* to make light work of town traffic and parking. The rally-proven 1771 cc engine is as smooth as it is powerful, and gives the Family a *top speed of 101 mph*.

Above all, the 504 Family is a really practical car. The wide-opening doors mean easy access, and childproof locks built into the rear doors mean your children won't get out unless you want them to. And because there's real space in both the rear rows of seats, the Peugeot Family is as popular with your friends and business associates as it is with your family. Even with eight people and their luggage, the 504 Family will still give



Three rows of forward facing seats (Front seat head restraints not shown).

you a superb ride—thanks to the extra-long wheelbase and the specially developed suspension system.

If you're towing a boat, caravan or horsebox, the 504 Family has the power to cope with a load of up to 1½ tons (1500 kg). And remember there's also a diesel version, to give you the same passenger comfort advantages and the same Peugeot reliability with extra economy. On the continent, of course, diesel can save you over 40 per cent of your fuel bills, and that's before you take into account a fuel consumption figure of 37 mpg.* Instead of making the family fit the car, we've made the car to fit the family. But with all that style and comfort, the 504 is still totally practical. Even with the third row of

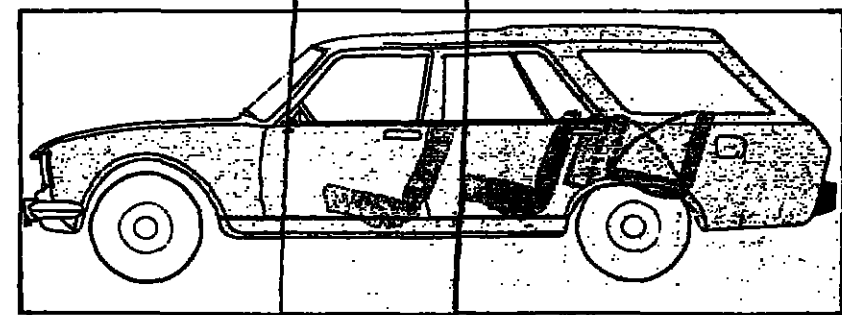
seats in use, there's still 15 cu ft of space for luggage (with the spare wheel stowed under the boot floor). And when you don't need that third row of seats, fold it down for 34 cubic feet of space.

With more than a million cars sold throughout Europe, the Peugeot 504 has been proved to be as rugged as it is elegant. That's because it's been built to last, using the finest materials available. To back this, there's a twelve-month unlimited mileage warranty, which we offer confidently, thanks to our detailed quality control procedures. (One in eight of all factory staff are engaged exclusively on quality control.) Peugeot strength also means main services only once every 10,000 miles**—so your car stays on the road, not in the service bay.

The 504 Estate range also includes other large-capacity hard-working estates, with diesel or petrol power. So if you don't need the sophistication of the Family, you'll still find a 504 to suit you.

But if you do need space, style and comfort to spare, then the 504 Family is the car for you. Why not take the family for a test run today?

**Diesel service intervals: 5000 miles



*Fuel consumption

	at a constant 56 mph (90 km/h)	at a constant 65 mph (105 km/h)	urban driving
Family Estate — manual	35.7 mpg (7.9L/100 km)	26.4 mpg (10.7L/100 km)	21.5 mpg (13.1L/100 km)
— automatic	31.0 mpg (9.1L/100 km)	24.1 mpg (11.7L/100 km)	23.3 mpg (12.1L/100 km)
Family Diesel Estate — manual	27.7 mpg (10.4L/100 km)	27.2 mpg (10.4L/100 km)	30.1 mpg (9.4L/100 km)

Petrol consumption in accordance with official Government test procedure



Finance and leasing facilities available from Peugeot Finance.
Anglo-French Finance Company Limited.

I am interested in the Peugeot 504 Family Estate.
Please send me details.

Name: _____

Address: _____

Tel: _____

Send to: Customer Enquiries,
Peugeot Automobiles (UK) Limited,
333 Western Avenue,
London W3 0RS.
Tel: 01-993 2331



July 1980

LUXEMBOURG



Photographs: Carlos Freix

Situated at the meeting point of Belgium, France and Germany, the Grand Duchy of Luxembourg, despite the vestigial Ruritanian trappings of one of Europe's last princeling states, has not only developed a viable modern economy but has also maintained a genuine sense of nationhood where other micro-states, from Monaco to San Marino, resemble nothing so much as larger-than-life sets for the colourful flummery of Gilbert and Sullivan operettas.

This reflects the Luxembourgers' astute and early awareness of their small country's need for integration into a wider political and economic context, coupled with the preservation of local cultural roots, including a distinct native patois, that still flourish beneath the heavy overlay of French and German influence. There was fierce popular resistance to the Nazi occupation in the Second World War.

Visitors to Luxembourg—an area of some 1,000 square miles (about the size of Dorset) with its fair share of rolling wooded hills, castles and quaint towns—are usually surprised to discover that the Grand Duchy is also one of the most prosperous members of the EEC, with the tenth biggest steel-making group in the world, and the fourth biggest in Europe.

More than 80 per cent of Luxembourg's gross national product comes from exports, and about 85 per cent of its trade is conducted with the rest of the EEC. Despite the Grand Duchy's small size—it contains no more than 360,000 inhabitants—it is twice as important a trading partner for Belgium as is Denmark, and takes as many French exports as Yugoslavia or China.

Further evidence of Luxembourg's dependence on and involvement with the outside world is the striking percentage of immigrants among the population—at



Luxembourg is one of the most prosperous members of the European Community. Above: a casual moment in the street and (left) Arbed steel, a major industry.

24 per cent, a higher proportion than in any other EEC member state. More than 50 per cent of the industrial workforce are foreigners, with Italians and Portuguese predominating. Italian immigration dates back to the early part of this century. The history of Luxembourg goes back to the tenth century, when Siegfried, Count of the Ardennes, built a castle where the city of Luxembourg, the Grand Duchy's capital, now stands. During the middle ages this dynasty gave four emperors to Germany, four kings to Bohemia (among them the national hero, Wenceslas), and one to Hungary. At its

height, the house of Luxembourg ruled over territories extending from the North Sea to the borders of Russia.

This period of imperial power came to an end in the mid-fifteenth century and during the next 400 years fortress Luxembourg formed part of other people's empires—Burgundian (1443-1506), Spanish (1506-1684 and 1697-1714), French (1684-1697 and 1795-1814), and Austrian (1714-1795). In the seventeenth century, the Spanish gave the southern part of the duchy—actually the regions round Rhinville, Montmedy, Ivry, Carignan and Marville—to France.

At the Congress of Vienna in 1815, Luxembourg was raised to the status of Grand Duchy, and made the property of the King of the Netherlands, William I. The Netherlands gave the title of Duke of Luxembourg. Although this paved the way for national independence, Luxembourg suffered further dismemberment, losing lands to the east of the Moselle and the Sire to Prussia.

In the 1830s there was another loss of territory when the western part of the Grand Duchy was ceded to Belgium. It now forms the Belgian province of Luxembourg. Much of the rural population of Luxembourg had supported the Belgian revolt against Dutch rule in 1830, but the capital and its environs remained loyal to William of Orange. The personal union between Luxembourg and the Netherlands continued until 1890.

In that year, after the death of William III of Holland, who left no male descendant, the crown of the Grand Duchy passed to the elder branch of the House of Nassau, giving Luxembourg its own dynasty and complete independence. The present ruler—now thoroughly constitutionalized—is Grand Duke Jean. Grand Duchess Charlotte, in 1964 when she abdicated after reigning 45 years.

Recognition of the need for integration in a larger economic system led Luxembourg into the German Zollverein in 1842. After the First World War, the Grand Duchy withdrew, and in 1921 turned instead to Belgium to form the economic and monetary union which survives to this day. Beneath a customs union embracing Belgium, Holland and Luxembourg—was conceived in exile in the Second World War and established in 1948.

With these European credentials, it is not surprising that the Grand Duchy was a founding member of the European Coal and Steel Community (ECSC), the European Economic Community (EEC), and the European Atomic Energy Community.

The EEC's Council of Ministers, although based in Brussels, also meets in Luxembourg in April, June and October in a tall building on the Kirchberg plateau overlooking the old town. More controversially, Luxembourg houses the permanent secretariat of the European Parliament and is one of the working sites of that nomadic assembly. By custom, the Parliament's monthly plenary sessions are held alternately in the Grand Duchy and Strasbourg, while committee meetings take place mainly in Brussels.

With the advent of direct elections, there is a growing view among members of the European Parliament that these costly and inconvenient wanderings should cease and that the Parliament should be located in Brussels alongside the Community's main executive bodies, the European Commission and the Council of Ministers. However, the combined resistance of Luxembourg and France and the fact that the Parliament itself has no legal power to determine where it should sit, seems to rule out any change in present arrangements.

Michael Hornsby

Steel cuts without redundancy

Steel in Luxembourg means Arbed, the company that has long been regarded as a "state within a state" because of its overriding importance in the life of the Grand Duchy.

More than five years of recession in the European steel industry have shown that Arbed is by far the strongest concern in the historic steel-making region that stretches in an arc from the Saar in the east, through Lorraine and southern Luxembourg into the valleys of the Sambre and Meuse in Belgium.

Thanks to a series of takeovers and cooperation agreements supported by the Luxembourg, West German and Belgian governments, Arbed has emerged as a multinational group charged with restructuring the steel industries of the Saar in West Germany, and also helps to put the ailing plants around Charleroi in Belgium on their feet, as well as putting the Luxembourg steel industry in a position to face the challenges of the 1980s.

Yet a casual visitor to Luxembourg city could be forgiven for overlooking the industry that in its heyday accounted for a quarter of Luxembourg's gross domestic product, 45 per cent of the country's industrial production and nearly 50 per cent of its exports, and employed more than a third of the Grand Duchy's industrial workforce.

Arbed's stately headquarters in the Avenue de la Liberté could easily house a government department or a museum rather than a thriving steel concern. The red clouds that used to be visible to the south of the city on a clear day have disappeared since the replacement of the basic Bessemer converters by more up-to-date oxygen steel-making equipment.

The only reminder that one is close to one of the important steel-making centres of the European Community is the drumming of the diesel-hauled freight trains in the bottom of the deep valley that skirts the former fortress city.

Arbed now claims to be the tenth largest steel-making group in the world and the fourth largest in Europe after British Steel, Thyssen of Germany and Finsider of Italy. The recession has left its mark in the form of

heavy accumulated losses, an increased burden of debt and a sharply reduced workforce. Although business has improved somewhat in the last 18 months, Arbed is still a long way from the prosperity that it enjoyed up to the onset of the recession at the end of 1974.

In 1978, the Arbed parent company was able to increase its steel production by 12.4 per cent to 4,250,000 tonnes, but output in that year was still 26 per cent below the record level of 5,740,000 tonnes reached in the record year of 1974.

After reaching a peak of 4,505m tonnes (about £75m) in 1977, Arbed's losses fell to 191m francs in 1978. The improvement continued into the first half of 1979 when losses fell to 430m francs, or less than a third of the 1,600m francs loss incurred in the first half of the previous year.

The improvement in Arbed's business position reflected in part a recovery in demand for steel, particularly in West Germany, and the effects of the EEC's plan to counter the crisis in the industry.

The development of the Luxembourg steel industry in recent years has paralleled that of the EEC's efficient German groups in the Ruhr rather than that of its near neighbours in northern France, the Saar and southern Belgium. Arbed was able to reap the modest rewards of heavy and timely investment, whereas the industries of the Saar, Lorraine and Wallonia have only just begun the painful process of restructuring.

However, Luxembourg's steel managers are under no illusions about the future. The European steel industry is still characterized by substantial overcapacity. There are mounting of a new lurch into recession. Even before the oil price rises at the end of last year dealt their blow to the prospects for the world economy in 1980, the European Commission was giving warning that this year would be a difficult one for the steel industry.

The Luxembourg steel industry has, therefore, geared itself to live with the crisis for some years to come. In the strategy is offensive as well as defensive. In 1978, the Arbed management decided on a bold restructuring programme designed to trans-

form the industry by

at a cost of 23,000m francs. Mastering the crisis demanded and will continue to demand, sacrifice. For the Luxembourg steel industry has meant the of a major source of revenue. In turn, Arbed shareholders have received a dividend that paid out for the business year. Normally, biggest sufferers from a prolonged recession are found among the forces of the "affiliated" industry, but in Luxembourg case this is not so.

Arbed intends to cut number of jobs in its Luxembourg steel-making divisions to 16,500 by representing a reduction of about 4,000 from the employment at the of September last.

Moreover, this reduction will follow similar of made since the recession. Between the beginning of 1975 and the end of the company's Luxembourg workforce was cut by 5,000. In contrast to the "bleed steel" industries of Britain or France, the have been achieved without redundancy or short working and it remains industry's policy to these measures in future.

To supplement the of natural wastage, Arbed's Luxembourg division and the Grand Duchy's trade union worked out a plan in summer of 1978, designed to prevent any steel work having to go on in the early retirement was to a part in reducing the workforce but the most significant and imaginative was the decision by Arbed to employ part of its workforce in non-steel activities such as construction work for the outside customers.

Under the agreement Arbed also undertook to attract new industry to Luxembourg. Such policy appears to have broad results. Luxembourg is only member of the European Community that boasts full employment.

The Grand Duchy's ability to cope with unemployment would be taken by "one is beautiful" job as proof that small countries tend to do a better of managing their economies than large ones.

Peter Norman

European American Bank now has a Luxembourg branch specializing in Eurocurrencies and foreign exchange.

Our Luxembourg office offers the expertise and services of specialists.

□ Eurocurrency facilities. Set up to provide complete Eurocurrency services for both short and medium term markets. We specialize in interbank operations.

□ Buying and selling major foreign currencies. A service that has earned us a reputation for speed and accuracy by providing excellent rates and fast, reliable service in both the spot and forward markets.

□ International Asset Liability Management. A vital foreign exchange service with in-depth studies of currency situations and advice on how to manage assets and liabilities.

□ Foreign Exchange Consulting Service. Known and quoted extensively, this service can be an invaluable aid to financial officers in managing day to day currency commitments.

We have unmatched international capabilities.

European American Banking Corporation is a major American financial institution owned by six of Europe's largest banks. These six major banks include: Amsterdam-Rotterdam Bank, N.V., Netherlands; Creditanstalt-Bankverein, Austria; Deutsche Bank, A.G., Germany; Midland Bank Limited, United Kingdom; Société Générale de Banque S.A., Belgium and Société Générale, France. Through our new Luxembourg office, our customers have access to the unparalleled international banking network of 10,000 branches, subsidiaries and affiliates provided by these six banks.

Call us for more information.

If you would like more information about European American Banking Corporation and what our new office can do for you, call Geoffrey G. Bell, Vice President and General Manager, in Luxembourg, at 46-40-11. Or write him at European American Banking Corporation, 31-35 Boulevard Prince Henri, Luxembourg.

EAB
European American Bank

Member of the Federal Reserve System

THE GRAND DUCHY OF LUXEMBOURG

OFFERS:

TO INVESTORS

- a central location in the middle of the EEC with a potential market of 260 million people
- an unparalleled political and economic stability (no strike in over 30 years)
- a bi-lingual and even larger tri-lingual population (French, German, English)
- a skilled and efficient labour force
- a dynamic business platform with a financial centre of world reputation (98 banks)
- a full programme of incentives with a favourable taxation system promoting new ventures and generous aids for exports

INVESTORS are welcomed in LUXEMBOURG by a friendly population and pleasant living conditions.

Please contact:
BOARD OF ECONOMIC DEVELOPMENT
Ministry of National Economy
19-21 Blvd. Royal, LUXEMBOURG, Grand Duchy of Luxembourg
Phone (352) 4794224, 4794231 or 478 359 Telex 3464 Eco lu.

TO IMPORTERS

- its steel products
- its industrial equipment
- its chemical and chemical processed products
- its building materials
- its household equipment goods
- its consumer goods

Please contact:
Office for Trade Promotion, Ministry of National Economy
19-21 Blvd. Royal, LUXEMBOURG, Grand Duchy of Luxembourg
Tel: (352) 47941 or (352) 478 359

LUXEMBOURG

Commercial service transmits across Europe in many languages

Radio with daily audience of 40 million

Luxembourg rules the waves—sound waves, that is. Radio Tele-Luxembourg, or RTL for short, celebrated its fiftieth birthday last year, and business is booming.

RTL is one of Luxembourg's biggest taxpayers. A private company with an estimated turnover of nearly 5,000m francs in 1979, it has an audience throughout Europe of about 40 million listeners and viewers a day. RTL was thinking European long before the EEC was even a twinkle in the eyes of politicians. Broadcasts in French, German and Luxembourgish (the local dialect) were beamed to listeners in Luxembourg and neighbouring countries from the start in the early 1930s. The British service,

which offered some light relief to the more serious BBC programmes of the day, was soon to follow and gave RTL its first profits. Both Luxembourg and Normandy followed the American lead in creating commercial broadcasting empires which were, temporarily in the case of RTL, destroyed by the Second World War.

After the Germans occupied Luxembourg in May 1940, they seized Radio Luxembourg and its transmitters for propaganda purposes. William Joyce, better known during the war as Lord Haw Haw, then broadcast his thrilling messages to Europe through the RTL channels.

A tape of Joyce's last speech, slurred as if he

were drunk, still exists. He rarely visited the Villa Louvigny, the RTL headquarters in the centre of Luxembourg, for fear of capture. His broadcasts were usually prerecorded in Hamburg.

On September 10, 1944, the Allies liberated Luxembourg and RTL was "occupied" once more. In November 1945 the owners took over again. Some rival stations, like Radio Normandy, failed to pick up the pieces after the war. But Luxembourg struggled on. And its determination in setting back on the air and success in staying there is reflected today.

These days, RTL transmits radio to the whole of Europe, in a variety of languages, and television to

Luxembourg, Belgium and parts of France. It owns a large slice of Luxair, the national airline, and has diversified into a number of smaller businesses and music publishing and commercial productions. It also has its own symphony orchestra.

Money-spinners are the French and German services, closely followed by television. The French radio service is the biggest. RTL in France has a revenue income which tops the £36m mark and is the largest of the four commercial radio stations serving France. It is on the air 22 hours a day with a strong flavour of news and current affairs.

The German service makes more than £20m a year and is the only national commercial radio

station for Germany. Like the French service, it has a current affairs slant which could be described as a cross between BBC Radio 1 and 4. With studios in Paris and Frankfurt, RTL claims to have overtaken all rivals with the two stations.

There is also a Dutch service and the local Luxembourgish service. RTL produces evidence of radio audiences in Scandinavia, Switzerland and Eastern Europe as well as at home and in neighbouring countries. Its television network is more limited. Shows are produced in studios at the Villa Louvigny. RTL has plans to beam television by means of space satellites to other countries, although Britain has been ruled out as a potential target for this new technology. If the decision to use satellites is made, probably at the end of this year, RTL is likely to go ahead with plans to build a new £15m television centre near its present studios.

RTL's claim to fame among pop music lovers must be its British service. Radio Luxembourg, known since the mid-1930s, is a limited company wholly owned by RTL. It has headquarters in Hertford Street in London's West End, with a sales office in Dean Street a mile or so away. It is run by a staff of about forty, most of them based in London, dealing with advertising, sales, publicity and commercial matters. The shows are live from the

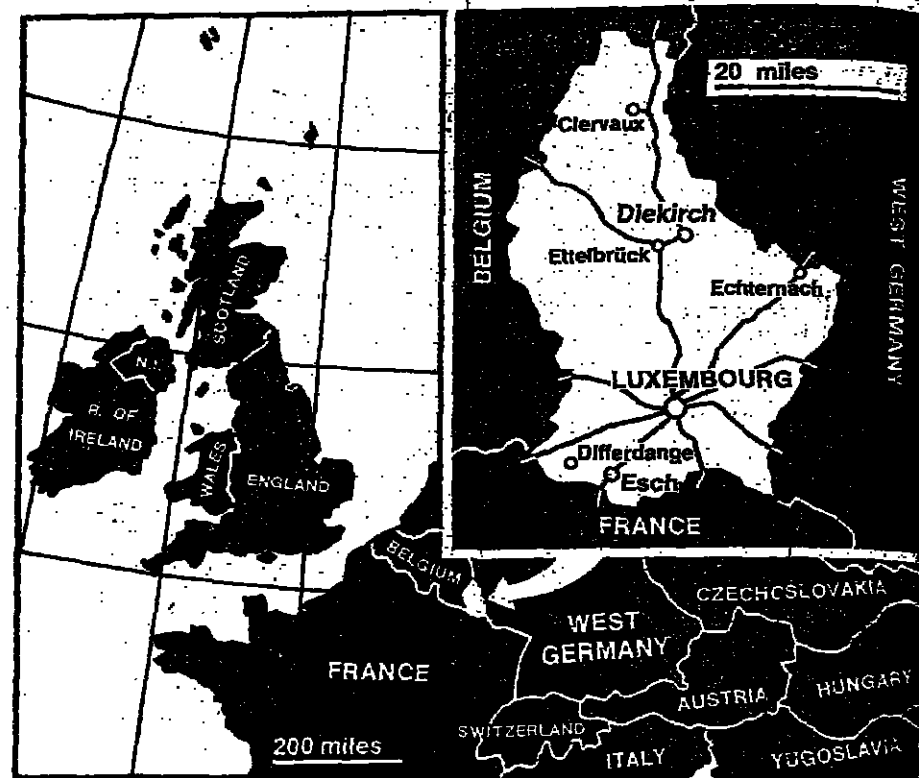
Villa Louvigny in the Grand Duchy, with some prerecorded exceptions. Operation is handled by a few key disc-jockeys, an administrator and a secretary, with the occasional help of an engineer on loan from somewhere else inside the RTL empire.

Many of the DJs on Radio Luxembourg, past and present, began their careers with the "pop pirates". Many well-known DJs made their names famous with 208—Jimmy Young and Jimmy Saville, Pete Murray, Tony Brandon, to name a few.

Radio Luxembourg is, in the words of its managing director, Mr Alan Keen, a peace-maker within the British music industry. Its programme director, Mr Tony Prince, and other 208 DJs make personal appearances in discos around the United Kingdom and the rest of Europe. What they pick up in the way of music trends on their travels is reflected in programme formats. At present in favour is pop with a heavy helping of disco music.

"Our British service has always kept a close watch on all trends in the music business," Mr Keen says. "We don't make changes by a group of executives sitting in a room making decisions based on 'gut feelings'. We keep in constant touch with our listeners and this way, I believe, stay ahead of the other stations."

The play list for most shows is selected by the programming department in London which also compiles 208's own Top 30. News headlines, which used to be compiled by the *Daily Mirror*, also come out of Luxembourg's London headquarters. Because the play list is preselected, DJs can-



not play all the requests they receive from listeners. "We're not really a request station," Mr Bob Stewart, the station manager, says. "But when they fit in with the play list we do read them out."

Mr Stewart is one of those voices which are heard regularly on Radio Luxembourg 208; and it features in RTL's latest venture, a local service in English for the British and other English-speaking residents in Luxembourg called Community radio.

RTL asked for air time,

got it, and went out with its new service last May. The station puts out music, news reports and is enthusiastic about the station's audience. The station is a commercial enterprise, but its interest in the commercial advertising is limited to about 30km to 40km over the border around Luxembourg. But some freak reports have come in from as far as 200km away, and the station can be picked up in Belgium on the television test card on Channel 27.

Many countries have local English-language magazines aimed at the British abroad, but Luxembourg has pro-

duced the first radio station in Europe. Progress reports are enthusiastic and the station is a commercial enterprise, but its interest in the commercial advertising is limited to about 30km to 40km over the border around Luxembourg. But some freak reports have come in from as far as 200km away, and the station can be picked up in Belgium on the television test card on Channel 27.

Patricia Kell

WestLB International

Financial Highlights as per September 30, 1979

WestLB International S.A.
32-34, boulevard Grande-Duchesse Charlotte
P.O. Box 420
Luxembourg
Telephone: 44 7411
Affiliate of
Westdeutsche
Landesbank
Girozentrale,
Düsseldorf/Münster

	in million US \$
Balance Sheet Total	4.086
Amounts due from banks	1.368
Loans and advances to customers	2.077
Advances to non-banking finance establishments	264
Securities	233
Amounts due to banks	3.647
Current deposits and other accounts	139
Share capital fully paid	58
Reserves after allocation of profit	82
Profit	20

The unimpaired financial strength of WestLB International S.A. is confirmed by its inclusion in the "MEMORIAL" of the Grand-Duché de Luxembourg, published by the Grand-Duché de Luxembourg, edition 1979.

Den norske Creditbank
(Luxembourg) S.A.

DnC

Energy is an important asset for growth, why don't you grow with us for your Euro-financing, deposits and foreign exchange? We are a wholly owned subsidiary of the largest commercial bank of Norway, the country of oil and hydroelectric power.

Tel. Gen. 21101
Tel. Forex 26771
Telex Gen. 1776 dnc lu
Telex Forex 3503 dnc lu

35, Bd. du Prince Henri
Boite postale 297
Luxembourg

Who's the largest commercial radio/television network in Europe?

RTL or in other words, Radio-Tele-Luxembourg. We have studios in Luxembourg, Paris, London, Brussels and Frankfurt.

And we broadcast in French, German, Dutch, Italian, Luxembourgish and English.

All in all, about 40 million people tune into us every week.

So it's not surprising we're No. 1.

And our TV network obtains large audiences in Northern and Eastern France plus top ratings in Belgium and Luxembourg.

RADIO-TELE-LUXEMBOURG
THE EARS AND EYES OF EUROPE

Radio-Tele-Luxembourg, Villa Louvigny, Luxembourg, Grand Duchy

Growers export more than half production

Local wines best drunk when young and fresh

Luxembourg has long been regarded as the producer of mainly domestically-consumed wines and, for recent years, this is by no means always the case. The narrow strip of vineyards that face out east across the river Moselle to Germany and wind almost 45km from Wiltz in the south to Wasserbillig in the north produce about 150,000 hectolitres of wine, but distinctly dry white wine that will not only be drunk at home within the Grand Duchy but will also be exported to Belgium, Holland, Germany and France as well to Britain and the United States.

In a normal year when cold summer rains and erosion have not swept a significant proportion of the best, and most steeply-sloping vineyards down on to the service roads and when exceptionally severe January frosts have not already destroyed an estimated 42 per cent of the crop, the cooperatives, commercial and smaller private growers can in fact expect to export well over half their total production.

In such a year, unlike the two preceding years,

approximately six million litres of Luxembourg wine will be sold to Belgium, a grower and regular reliable customer as far as the vineyard is concerned and its softness and fairly low acidity have a far greater appeal to the contemporary wine drinker than do the wines of the almost indigenous Elbling grape that previously was considered to have the highest quantity and was most popular.

Elbling, like all Luxembourg wines, has an optimum life of no more than two to three years and is best drunk when it is young and fresh. Its style is light and dry with an alcoholic strength seldom exceeding 10.5° to 11°. To several informed palates Elbling has more character than Rivaner and makes an ideal table wine for those who have no wish to fall asleep after lunch.

Other varieties grown in the Grand Duchy include the modest but well-balanced auxerrois, an often surprisingly good pinot blanc—the one from the Cave Cooperative at Wormeldange is particularly agreeable—pinot gris, riesling and a little dry and somewhat indifferent traminer that has none of the spicy richness of its brother from farther south.

Now, however, far more

Rivaner than any other variety is planted in Luxembourg—it is fairly easy to grow and a regular and reliable cropper as far as the vineyard is concerned and its softness and fairly low acidity have a far greater appeal to the contemporary wine drinker than do the wines of the almost indigenous Elbling grape that previously was considered to have the highest quantity and was most popular.

Elbling, like all Luxembourg wines, has an optimum life of no more than two to three years and is best drunk when it is young and fresh. Its style is light and dry with an alcoholic strength seldom exceeding 10.5° to 11°. To several informed palates Elbling has more character than Rivaner and makes an ideal table wine for those who have no wish to fall asleep after lunch.

Other varieties grown in the Grand Duchy include the modest but well-balanced auxerrois, an often surprisingly good pinot blanc—the one from the Cave Cooperative at Wormeldange is particularly agreeable—pinot gris, riesling and a little dry and somewhat indifferent traminer that has none of the spicy richness of its brother from farther south.

Now, however, far more

grown on the steep slopes between Wormeldange and Machimus on the Luxembourg side of the river proved to be slight, dry and almost austere, while a second riesling cropped from the flat and westerly vineyards across the river.

Eighty per cent of the Grand Duchy's wine production is in the hands of the cooperatives while commercial enterprises and small private growers are each responsible for half the 20 per cent that remains. More than 60 per cent of the total quality wine production that is offered for sale to the consumer will bear the green and gold *marque nationale* label. All wines carrying this official seal of quality are produced within an officially delimited *appellation contrôlée* area of 1,200 hectares and have been tasted and classified according to their merits by a commission of 12 experts, including growers, merchants, innkeepers, two state oenolo-

gists and, somewhat remarkably, an experienced cicerone to represent the public interest. Every year a commission conducts a often arduous activity of inspecting April and May at the viticultural institute Kemich.

Apart from still wines, Luxembourg is also producing an increasing quantity of sparkling wine. More than one million bottles of sparkling wine were made in the Grand Duchy during 1979 and it is likely that that figure has almost doubled by today. The quality of some of the wines is not as great as could be even though *methode champenoise* sometimes employed will use is made of such class grapes as riesling and pinots.

Overall, Luxembourg wines like those of Austria are still something of an undiscovered secret, and deserve to be better known. Given the possibility of their planting within a *denominazione di origine controllata* area and this is being considered there is a real chance that the might become so.

Colin Price Beer

TWICE A DAY London-Luxembourg

dep. 09.45
arr. 11.50 Luxembourg

dep. 08.45
arr. 08.55 London

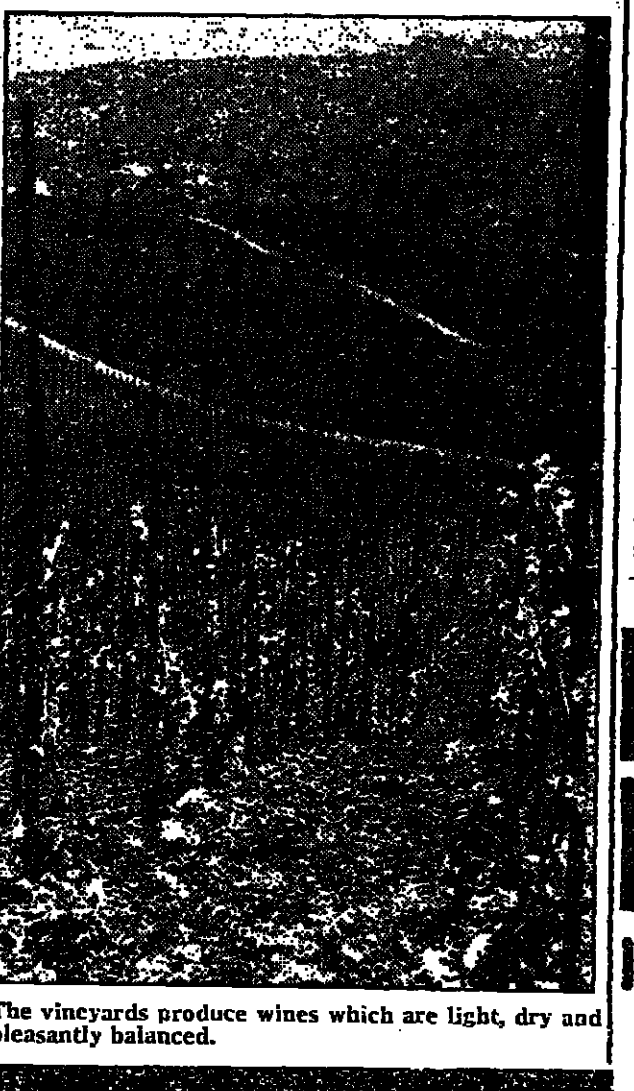
dep. 16.30
arr. 18.40 Luxembourg

dep. 19.20
arr. 19.30 London

for all inquiries contact your travel agency or British Airways, Phone (01) 370541

LUXAIR
Luxembourg Airlines in pool with British Airways

BERGEN BANK
INTERNATIONAL S.A.
LUXEMBOURG



The vineyards produce wines which are light, dry and pleasantly balanced.

Planning for a
nuclear
trade balance,
page 25

THE TIMES

BUSINESS NEWS

£11.15

Where will
Thatcher axe
fall next?
page 25

Stock markets

FT Ind. 4580 down 24
FT 1000 63.94 down 0.37

Sterling

£2.25 down 80 points
£2.25 down 0.3

Dollar

Index 47.1 up 0.5

Gold

\$372.5 down \$19

Money

3 month sterling 18 1/2%
3 month Euro 18 1/2%
3 month Euro 18 1/2%

IN BRIEF

Bloomsbury Square holding sold for £7.7m

London Trust has emerged as the £7.4m purchaser of part of Bloomsbury Square, a building owned by the Property Services Agency last week.

The estate, which includes offices, shops and a hotel, some of which are listed buildings, was bought piecemeal by the Government in the 1970s for the British Library site.

The £7.7m sale leaves the Government with almost 50 per cent of its Bloomsbury holdings, which are also due to be sold.

Riverbank Properties, a property investment company, will run the estate which currently has rental income of £240,000 a year.

Mersey dock delays

The Mersey Docks and Harbour Company confirmed yesterday that there have been delays in handling cargo at the specialised container terminal in the £50m Royal Seaforth dock complex, but said improvements had already been carried out and the programme was continuing.

The Northwest Road Haulage Association has alleged delays of up to 12 hours.

Oil safety clash

The Trades Union Congress has supported a petition on a report on offshore oil safety prepared for Parliament by a committee headed by Dr Jack Burgoyne. The dissenting committee members believe that safety should be a matter for the Health and Safety Executive, not the Department of Energy, as recommended.

Dissenting voices, page 24

Picket after eviction

The 97-day occupation of the Meccano toy plant at Edge Hill, Liverpool, will end today when the Meccano plant is taken over by a High Court judge. Picketing by the plant's workers will be mounted outside the factory.

£35.4m Plessey profit

Plessey, the electronics group, yesterday announced a 75 per cent rise in pre-tax profit to £35.4m in the nine months to December 31.

Financial Editor, page 25

£11m plastics plant

British Plastics, a subsidiary of BP Chemicals, is to build a £11m plant at Bromborough, Wirral, to make low density polyethylene from used in packaging. The plant will have a capacity of 20,000 tonnes a year at first. It will employ 150.

Hill seeks help

When Mrs Margaret Thatcher, the Prime Minister, visits Hill next Friday it is expected that she will be asked for financial help to keep the fish dock operational until the EEC case against Britain's fishing opportunities.

House starts up

Builders started work on 15,000 houses in Britain during January, against 10,000 in the same month last year. Completions were also up, from 16,200 to 18,000.

PRICE CHANGES

Rises	Falls
BL Ltd 2p to 2 1/2p	Audiovisual 1p to 7p
Grainview 12p to 12 1/2p	Coalite Corp 5p to 5 1/2p
Deacons Bros 12p to 12 1/2p	Decca 22p to 21 1/2p
Imp Cont Gas 5p to 7 1/2p	Furness Withy 10p to 9 1/2p
McLeod Russell 5p to 3 1/2p	Howard & Wynd 1p to 5p

THE POUND

Bank	Bank	Bank	Bank
Australia 5	2.08	Norway 11	11.46
Austria 5	2.08	Portugal 11	11.46
Belgium 5	2.08	South Africa 11	11.46
Canada 5	2.08	Spain 11	11.46
Denmark 5	2.08	Sweden 11	11.46
Finland 5	2.08	Switzerland 11	11.46
France 5	2.08	USA 5	5.00
Germany 5	2.08	Yugoslavia 11	11.46
Greece 5	2.08		
Holland 5	2.08		
Ireland 5	2.08		
Italy 5	2.08		
Japan 5	2.08		
Netherlands 5	2.08		

Liquidity strain on companies as cash squeeze takes effect

By John Whitmore
Financial Correspondent

Companies' short term liquidity problems are currently being stretched more than at any time since the crisis of the winter of 1974-75, according to the latest Department of Industry survey published in this month's edition of *British Business*.

The survey, which covers the liquidity position of 222 large companies, shows that the ratio of current financial assets to current liabilities fell from 122 per cent to 71 per cent between the fourth quarter of 1978 and 1979.

Although this is comfortably above the depths plumbed at the end of 1974, it provides strong confirmation of the increasing cash squeeze on industry. Perhaps the most worrying aspect is that this is what is happening to relatively large companies, the position of smaller businesses may be considerably worse.

Certainly, there has been an increasing number of noises from smaller companies about the cash squeeze they are suffering and more particularly, of the way that their problems are being compounded by the present high cost of borrowing. With prime bank rates having to pay at least 18 per cent for overdrafts, many smaller firms will be paying appreciably more than this.

The main hope at the moment is that the present squeeze on liquidity will prove a temporary phenomenon. It is precisely the kind of development that one would expect as the business cycle starts to turn downwards.

In the early stages of a recession manufacturing companies will be left holding relatively high stock levels until such time as they trim back production to match falling demand.

But once companies start to

reduce their production schedules they can then run down their stock ratios and start to rebuild their liquidity. These were indeed some signs that the physical levels of stocks were already starting to decline slowly towards the end of last year. However, rising raw material and labour costs have meant that the nominal costs of stocks has continued to rise steeply.

A further problem for many exporting companies is that the strength of sterling has consistently been eroding their profit margins. To the extent that they have been forced to hold their export prices as devalued in overseas currencies, those foreign currency earnings have tended to buy less and less sterling when remitted to the United Kingdom.

How much the Chancellor would like, or will feel able, to do for the corporate sector in the Budget remains to be seen. Only recently the Confederation of British Industry predicted that the "real" pre-tax return for British industry (excluding North Sea activities) could fall to no more than 2 per cent this year, the worst level ever recorded.

The CBI report went on to predict that the financial deficit of these companies could rise to £7,000m. Other forecasting bodies have been predicting similar trends.

Some economists would like to see the Chancellor make room to cut the National Insurance surcharge. That would provide a little help right across the board, both to exporters and to companies competing against imports.

It seems unlikely, however, that the Chancellor is going to have a great deal to offer the corporate sector in the short term.

But once companies start to

Chemicals industry urges end to gas monopoly

By John Huxley

Energy ministers are considering radical proposals that the Government should break the monopoly of the British Gas Corporation in buying, moving and selling gas for use as fuel in the United Kingdom.

The intention would be to give other potential suppliers the opportunity to provide new and independent distribution systems serving industrial users.

Such a system has already been developed in the Netherlands, where the state has entered a joint venture with private companies to serve about 50 per cent of larger industrial demand for gas.

Proposals for a similar scheme have been put to Mr David Howell, Secretary of State for Energy, by the Chemical Industries Association.

which says it is concerned about the inability of British Gas to meet either the industry's present or future needs.

Mr Eric Sharp, president of the association, said yesterday that chemical industry projects were being postponed or scrapped and foreign investment in Britain deterred because of the inability of companies to secure gas supplies.

Proposals for independent distribution systems linked to areas of high industrial concentration, such as the Midlands, the North-west and the North-east, are particularly attractive to the minister, it is understood.

Such schemes might be linked to North Sea fields which previously have not been worth tapping.

The Chemical Industries Association has agreed to supply Mr Howell with more detailed indications of the potential scope and practicability of the scheme and further talks are planned.

It is also to press Mr Howell to consider importing gas as a means of preventing shortages. The association, which represents an industry with an annual turnover of about £15,000m, sees changes in the role and obligations of British Gas as part of the long-term solution to supply problems.

According to the association's most recent estimates there will be a shortfall in gas supplies to the chemicals industry by 1983 of about 200 million therms a year. Demand is expected to be 1,400 million therms.

British Gas Corporation's inability to meet demand from the industry, in which chemicals is by far the largest consumer,

arises from overwhelming demand in the domestic sector. Not only is gas cheap compared to alternative fuels, but the corporation has a statutory obligation to supply on demand to existing users and those within 25 yards of a distribution pipe.

Industry has thus found itself increasingly starved of new supplies. In the first nine months of last year an additional 935 million therms were provided but of that total only 32 million therms went to industrial users.

Mr Martin Trowbridge, director general of the association, recognises that a once-for-all change in domestic prices of the scale needed to bring tariffs into line with other fuel prices would be politically unacceptable.

However, he believes that if only as a matter of "natural

justice" industrial and domestic consumers must be treated more equitably. It would also make more sense for energy conservation to ensure that a larger proportion of available supply goes to the more efficient industrial users, he argues.

The chemicals industry, which last year contributed a surplus of more than £1,500m to Britain's trade balance, has told Mr Howell that apart from its concern over supplies there is disquiet about prices paid in the United Kingdom.

The association contends that normally in view of Britain's North Sea resources—industry pays on average 5p a therm more for comparable supplies than Continental chemicals manufacturers. This amounts to an annual excess cost burden of £60m, it says.

Some Ozalid directors deceived auditors, inquiry report claims

By Peter Wainwright

Company directors' private bank accounts should be open to inquiry inspectors, a Department of Trade report said yesterday.

Mr Neil Butler, QC, and Mr Brian Allen Kemp, Department of Trade inspectors, were appointed by the Secretary of State under Section 165(b) of the 1948 Companies Act to investigate Ozalid, a leading group in the photographic trade and well known for different types of copying processes of drawings and documents used in commercial and drawing offices.

The inspectors were appointed after a prolonged fall in profits and its eventual takeover over in February, 1977, for over £24.6m by the Dutch group Océ van der Grinten NV. There was widespread dismay at both the takeover and the terms.

The inspectors found that Ozalid grew much too fast in the early 1970s. The subsidiaries were unable to make enough money to meet the financial demands of the parent.

The report describes how

some of Ozalid's directors declined to answer their queries.

Mr Frederick Willoughby Clunfield, the company secretary until April, 1975, was much too weak in the course of his work and he tended to be dominated by his fellow directors. He was more concerned with "sinning" than with "inspecting".

Mr David Haddon, who became finance director particularly concerned with overseas expansion, was said to be young and energetic and who did an enormous amount of hard work. But "some of his activities had unfortunate consequences".

A non-executive director, Mr John Gilmour, of Samuel Murgu, the merchant bank, is described as having "added an independent degree of integrity to the board".

The inspectors attack the way several directors on the main board received undisclosed "overseas remuneration" in 1972, 1973 and 1974. This involved the creation of empty shell companies of business names. Some of the

Continued on page 26, col 3

Future of IMF's gold sales still in balance

From Frank Vogl
Washington, Mar 6

No decision has yet been taken by the executive board of directors of the International Monetary Fund on the future of its gold auctions. The next fund sale of 440,000oz of bullion will be in April and the final sale, also of 440,000oz, is now scheduled for early May.

IMF sources close to the board said there did not appear to be any clear agreement on the future of gold auctions. Some directors felt that further sales were necessary to provide additional assistance to developing countries, but there had been little pressure from the poorer countries themselves.

The IMF announced a list of 14 institutions successful in yesterday's sale of 440,000oz including Samuel Murgu and Derby and Company of London. The fund did not disclose the amounts awarded to each of the successful bidders.

The Dresdner bank, which is widely seen as an important agent in the bullion markets for Middle East interests, was again on the IMF list under the name Oz, its Frankfurt

head office, as well as its subsidiaries in Singapore and Luxembourg.

The price of gold in the New York bullion market fell quite sharply to just above \$600 a point today. Dealers noted, however, that there continues to be strong evidence, as indicated by the volume of bids at the IMF sale, of sustained institutional buying, particularly from Europe and the Middle East. One dealer said that the strength of this buying is surprising given the very high cost of financing gold purchases at present.

In addition to Dresdner and the British companies the other successful bidders at the IMF sale were the three big Swiss commercial banks, Bank Leu of Zurich, the Bank of Nova Scotia, a division in New York of Enghard Minerals and NMR Metals of New York, the DG Bank of Frankfurt and the Eastern Trade Corporation of Dubai.

The average price yesterday was \$641.23, with a range of \$636.16 to \$649.07 an ounce. At the previous auction a price of \$712.12 had been reached.

Central banks act as dollar gathers strength

By Our Economics Staff

Money continued to pour into dollars on the world's currency markets yesterday. News that the Iranian students holding United States embassy hostages in Tehran might have been released helped the dollar, which also buoyed the dollar by high American interest rates.

Dollar rates were sharply higher at the opening in London. There were also market rumours during the day that the United States Federal Reserve Board might decide to raise its discount rate still higher, possibly by as much as 2 or 3 points, which would make it a penalty rate. It is now below market rates and there is evidence that the Fed has been boosting its borrowing from the Fed's discount window.

The effect of the recent sharp tightening of Fed policy on the United States money supply has yet to be seen. The figures which would reflect the effect will not be available for some days.

Central banks in West Germany, France, Switzerland and Japan were in the market again yesterday in a vigorous attempt to hold up their currencies by selling dollars.

The West German central bank spent \$98m at the morning fixing to bolster the dollar. This was nearly double the level of official intervention in the previous days. Total German intervention has been much larger.

Despite this the mark weakened and final closed at DM17.945 to the dollar against DM17.975 on Wednesday. Dealers reported that they would not be surprised to see the dollar at DM1.80 before long.

Large sales of official dollars softened the falls recorded by both the French and Swiss but the Swiss franc still dropped

from SwF1.7085 to SwF1.7140 while the French currency fell from F4.1845 to F4.19875.

Sterling dropped sharply during the day to just over \$2.21 at one stage. However, with little help from the Bank of England the pound came back to close at \$2.235, down 80 points. In trade-weighted terms the pound dropped by 0.3 points to finish at 72 per cent of its end-1971 value.

The dollar rose strongly against a trade-weighted basket of currencies yesterday. It finished at 87.1 per cent of its end-1971 value, up 0.5 points on the day.

The interest rate was triggered by the rise in American rates as the Fed has tightened its money policy, shows signs of spreading. The Italian central bank may raise interest rates, according to the market.

Ironically the dramatic, and to many countries, unwelcome, effect on foreign exchange markets brought about by United States actions was not particularly intended. The Americans did not raise rates to boost the dollar but for purely domestic reasons. However, the international repercussions have proved to be very large.

In London domestic interest rates tended to ease fractionally from the exceptionally high levels seen earlier in the week. Very short rates, where the overnight interbank rate opened at 17 1/2 to 18 per cent but came back to 17 per cent during the day.

A new development yesterday, however, was the sharp rise in Eurodollar rates. Both the three and six month rates went ahead of the comparable sterling rates in the London market.

Although sterling rebounded well late on, the sharp rise in dollar rates is something the authorities will find it increasingly difficult to ignore.

Bar on cheap car imports unlikely

By Derek Harris

Low cost car imports from East Europe, which were running at nearly 40,000 vehicles a year in 1979, are unlikely to be restricted by the Government. This was made clear in Coventry yesterday by Mr Cecil Parkinson, Minister for Trade. He said: "Quality, not quotas, will ultimately decide our future as a trading nation".

It was a rebuff for Sir Michael Edwards, BL chairman, who last week appealed for government action against the "dumping" of cars from Eastern Europe. The cars are from Lada in Russia, Polski in Poland and Skoda in Czechoslovakia. Britain exported only about 400 cars to Eastern Europe.

Mr Parkinson was touring the

factory of Motor Panels (Coventry) which is producing the award-winning cab system for Leyland's newly launched Roadrunner truck. He said: "This is an encouraging example of the kind of product Britain needs for its industrial recovery. We could go on concerning ourselves with the fact that foreigners sell in uncomfortably easy to sell in our market. We could—but let nobody be in any doubt of the danger of such a course, especially for our huge, export markets overseas."

The key to Britain's successful trade performance was the production of high quality reliable goods, backed up by an efficient after-sales service and not the imposition of random import controls. He said customers wanted value for money

but not simply what was cheap. Government thinking on car imports appears to be that the less than 3 per cent share of the British market accounted for by East European imports is too small to be affecting seriously the sales of British-made cars.

But another of Sir Michael's complaints—about imports from Spain—could, to an extent, be met in the negotiations bringing Spain into trading agreement with the EEC.

Spain exports around 50,000 cars a year to Britain, most of them Ford Fiesta. But Spain's 35 per cent tariff barrier has kept BL's exports there down to around 400.

Pressure is expected to be applied to Spain to bring down these tariff barriers as soon as EEC.

Minister fails to deliver on worker participation

Post Office unions draw a blank

Post Office unions came away from a meeting with a Government minister yesterday, disappointed that he could not break the "stalemate" in their negotiations with the Post Office on industrial democracy.

The unions are demanding that they should have seats on the corporation's main board of directors despite the Government's decision to end a two-year "worker directors" experiment at the end of last year.

They have also told the corporation and the Government that they cannot accept representation on second-tier policy councils.

Mr Anthony Carter, secretary general of the Council of Post Office Unions, said last night: "We still want main board representation because this seems to us to be important in terms of industrial democracy, due to the importance of decision-taking at that level, and because it sets the pattern for industrial democracy at other levels."

The unions met Mr Adam Butler, Minister of State at the Department of Industry, who told them that he could not intervene in matters which

should be decided between the unions and the Post Office. The department has made clear in the past that it will back Sir William's decisions.

Mr Carter said that the policy councils idea "is really a development at all and gives such minimal involvement as to be meaningless". The councils would give little more access to information than the present twice-monthly meetings the unions have with the board.

Mr Carter said negotiations had now reached "stalemate" but the unions hoped that when the postal and telecommunications divisions became separate businesses next year some new form of union involvement in decision-taking at a high level might emerge.

David Felton

This announcement appears as a matter of record only.

QUIMIGAL

QUIMICA DE PORTUGAL

US\$ 25,000,000
Ten-Year Loan

Fertilizer Modernisation Project
co-financed by
International Bank for Reconstruction and Development
and
European Investment Bank

Managed and Provided by

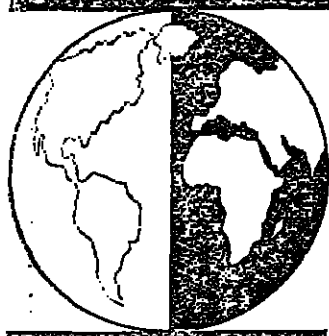
Kredietbank S.A. Luxembourgeoise
Algemene Bank Nederland N.V.
Banco Totta & Açores, London Branch
Crédit Agricole
Lloyds Bank International Limited
The Sumitomo Bank, Limited

Also

Kredietbank S.A. Luxembourgeoise

KB

January 1980



Yen support plan not enough say critics

Mr Keijiro Shoji, director-general of the Japanese Economic Planning Agency, said in Tokyo that the Government should now work out a package of anti-inflation measures to improve the country's fundamentals and shore up the yen.

He testified before a Lower House committee that despite last Sunday's set of yen-support steps, there still remains strong speculative pressure against the Japanese currency on the foreign exchange markets.

Although the finance ministry and the Bank of Japan had announced the yen defence programme, the dollar still maintains a strong undertone mainly because of Japan's rising prices and balance of payments position, which registered a record deficit in January. Some analysts say it is difficult for the Japanese currency to achieve sustained recovery until the fundamentals improve.

Mr Shoji claims the yen is still undervalued, a view that echoes the opinion of Mr Haruo Masekawa, governor of the Bank of Japan.

Canberra cuts taxes

Mr John Howard, the Australian Treasurer, has announced reductions in personal income tax and 50 per cent tax indexation starting July 1. A taxpayer with an dependent spouse on the standard tax rate will pay about \$484.70 (about £233) a week less next financial year.

Fewer registrations

Herr Fritz Haber and Herr Ernst Mueller-Hermann, the joint presidents of West Germany's motor trade association ZDK, told a press conference in Munich that 1980 registrations of new cars and estate cars should be between 2.4 and 2.5 million units compared with 2.6 million in 1979.

More diesel imports

India increased diesel imports for March and April to 400,000 tonnes a month from 200,000 tonnes in the corresponding months of 1979, according to the petroleum minister, said in New Delhi.

Born engineering

Prospects for the West German engineering sector in the 1980s are better than in the second half of the past decade, the Munich Economic Research Institute says in its latest report. Investment will probably rise by 5 per cent a year in real terms, it says.

Yugoslavian index up

Yugoslavia's consumer index registered 116.5 in February—up 3.3 per cent from January and up 33.9 per cent from February 1979—the statistics bureau reports from Belgrade. The index is based on 1979 average, equals 100, and it is not seasonally adjusted.

Turbines for China

AEG Kanis Turbinenfabrik GmbH, the steam turbine-making unit of AEG-Telefunken AG, the large electrical group, has received an order for nine steam turbines valued at DM13m (about £3m) from Lurgi Mineralerntechnik GmbH. The turbines will be installed in a chemical plant in China.

US Steel prices rise

US Steel Corporation says in Pittsburgh it has raised prices for sheet and strip steel products by an average of 5 per cent, effective March 30. The increases include the effect of the introduction of two categories of cold rolled class two sheet steel.

Dissenting voices could weaken impact of N Sea recommendations

Single safety agency urged for oil

A note of dissent by the two trade union members of a government-appointed committee on safety in the offshore North Sea oil and gas industries threatens to weaken seriously the impact of the recommendations as a whole.

The committee, chaired by Dr Jack Burgoyne, an oil consultant and visiting professor in industrial safety at the City University, presented its report to Parliament yesterday. Its main recommendation was that inspection of safety on offshore installations should be transferred from the three agencies of the Department of Energy, the Department of Trade and the Health and Safety Executive, who deal with it at present, to a single agency.

It recommends that this role should be taken by the Department of Energy despite the fact that the department is the sponsoring ministry for the offshore industry. In their note of dissent, Mr Roger Lyons, a national officer of the Association of Scientific, Technical and Managerial Staffs, and Mr John Miller, a national officer of the Transport and General Workers' Union, say that while they accept the recommendation for a single agency, "this must be based firmly on the principle that a government department substantially responsible for the direction and control of an industry should not in any way be responsible for the standards and enforcement of occupational health and safety in that industry."

They believe that the safety role should

be taken by the Health and Safety Executive and their opinion has been backed by the Trades Union Congress which has fully supported the Miller/Lyons dissenting note.

Mr Miller and Mr Lyons say that other recommendations in the report to improve safety offshore which they fully endorse, could be overshadowed by the weakness of recommending the Department of Energy rather than the HSE as the inspecting agency.

They draw attention to the fact that the Coal Mines Inspectorate and the Nuclear Installations Inspectorate both come under the HSE and not the department.

In answer to these criticisms Dr Burgoyne said yesterday that it was important that control of safety should be able to keep up with fast moving changes. He believed that changes were happening faster offshore, than, for example, in the nuclear industry.

The report as a whole is only mildly critical of offshore safety procedures. Between 1974 and 1978 there have been 54 fatalities, the largest single number being 16 divers, and 212 serious accidents. On average there had been one fatal or serious accident for each seven and a half wells drilled although there was less than one accident on average per drill year.

But the trade union members felt that

the committee had been over-influenced by its oil industry representatives while the oil industry members felt that the trade unionists had not fully understood the workings of the offshore industry.

Neither Mr Miller nor Mr Lyons had been particularly good attenders at meetings, Mr Miller attending only four out of a possible 40 and Mr Lyons attending 15 times, but for 14 of those, only for half a day.

The committee recommended that the Department of Energy should be suitably strengthened by extra staff to improve its regulation of offshore safety. It upheld the principle of independent granting of certificates of critical features of offshore structures as done at present.

It proposed that United Kingdom civil and criminal law should be applied to vessels engaged in pipelines. The government should also consider enlarging the safety zones around offshore installations which currently prevent ships from going in closer than 500 metres.

The Department should also consider as a matter of urgency establishing a safety zone around mobile drilling and around seabed well heads.

The Department should also consider as a matter of urgency establishing a safety zone around mobile drilling and around seabed well heads.

Nicholas Hirst

Tender for Japanese ship rejected in UK

By Peter Hill
Industrial Editor

British Shipbuilders has turned down an invitation to build a sophisticated car carrier and suggested that the customer should inquire in Japan.

The state shipbuilding corporation, which is expected to disclose a loss of nearly £100m for the financial year which ends this month, and which desperately needs new orders to maintain employment, defended its decision yesterday on the grounds that the type of ship involved was not part of its design package and that most of the world's car carriers had been built in Japan.

But the reaction came under strong attack from Mr Michael Grylls, MP for North West Surrey and vice-chairman of the Conservative Industrial Committee, who said last night that he planned to write to Sir Keith Joseph, Secretary of State for Industry, seeking a full explanation.

"I think it is a staggering response to an industry which is likely to lose £100m in the current financial year to refuse even to tender for an order which is offered to it," he said.

The approach to British Shipbuilders was made by Colt Car UK, an associated company of

Mitsubishi, the Japanese industrial group which is a leading force in Japanese shipbuilding as well as a motor manufacturer.

Mr Michael Orr, managing director of the company, disclosed the response to his inquiry at the Geneva motor show yesterday. The company wanted to order a car carrier able to ship about 3,000 vehicles.

Mr John Parker, the British Shipbuilders board member for marketing, said he considered that the corporation's response had been "mischievously explained" by Mr Orr when the state organisation had sought only to be helpful.

Mr Parker said: "It has to be remembered that the car carrying business represents a very small sector of the shipping market—less than one per cent of the world's merchant fleet—and the world's merchant companies control the car trade. The bulk of the ships now in service have been built in Japan and since Colt is associated with Mitsubishi it is most unlikely that the order would be placed anywhere else but Japan."

"Last year we received inquiries for 1,450 ships and we put in firm tenders for 850 of those and there is no way in



Mr Michael Orr.

the shipbuilding industry that you can cope with every single inquiry."

British Shipbuilders said that it appeared that Mr Orr was more interested in selling British ships and noted that the corporation had a catalogue of more than a hundred ship designs which were constantly being updated.

Most of the corporation's medium and large yards placed an emphasis on series production of merchant ships since this achieved economies of scale and enabled British Shipbuilders to remain within the tight financial limits laid down by the Government.

Commission forecasts much larger EEC Deficit

From Peter Norman
Brussels, March 6

The European Commission has revised its forecast of the EEC's 1980 current account balance of payments deficit sharply upwards to 14,200 million units of account (£8,800m) from the 4,000 million ECU level forecast in its recent annual report.

Because of the steep rise in oil prices the Commission now expects that the Community's real economic growth rate will be 1.2 per cent this year, against 2 per cent in the earlier report, while the average inflation rate is estimated at 11.3 per cent, two points higher than in the annual report.

The oil price increases have worsened prospects for employment, with the average unemployment rate expected to increase to 6.4 per cent in the Community from 5.5 per cent last year.

The Commission falls into line with other forecasting bodies in predicting a grim period for the British economy. It predicts that Britain will be the only Community country to experience a pronounced recession and forecasts a 2.5 per cent drop in gross domestic product this year. This decline is half a percentage point less than the forecast recently by the Organization of Economic Co-operation and Development (OECD) and compares with real GDP increases of between 1 and 2.1 per cent forecast for most of Britain's Community partners.

The Commission also expects Britain to have the worst performance in terms of inflation, forecasting a consumer price rise of 18.9 per cent compared with 17.1 per cent in Italy, 12.1 per cent in France, just under 7 per cent in the Benelux countries and 5 per cent in West Germany.

Unlike the OECD, which forecast a small surplus for Britain on its current account balance of payments, the Commission expects a deficit of 2,300 million units of account (£1,426m). In general, the Commission believes that the basic stance of the macro economic policy must be maintained in the EEC, although it urges that in energy policy there must be greater efforts in all member states and at the Community level to produce alternative supplies and cut consumption.

It gives a warning that Europe's population must as a whole be able to live on a lower income to the oil producers as long as oil consumption habits are not changed.

After almost a year of operation of the European monetary unit, the Commission notes that the amount of instability in exchange rates between the member states was cut by nearly two thirds.

From Mrs S. M. Liddall

Sir, Dr Robert Bowles (February 19) wishes to remain in Shire Lane, Lyme Regis, and to rebuild his house there, so he is glad that his insurance company forced him to pay premiums on the basis of replacement value.

But I live in a "semi" on a housing estate built in the thirties. The accommodation satisfies my needs, but there are thousands like it in this area of Kent and all I would want in the event of total destruction would be the market value of the property and a cash settlement within, say, two months to enable me to move into a similar house as soon as possible.

Partial destruction is, of course, much more complicated. But the assumption that everything is false; and the older one is, the more ridiculous that assumption becomes. Nevertheless it is a very profitable sale for the companies concerned and, as far as I know, only the Trustee Savings Bank offers a satisfactory alternative.

S. M. LIDDALL,
41 Swaffield Road,
Sevenoaks.

From Mr Reginald W. Bloore

Sir, We have seen during recent weeks a number of advertisements showing the massive penetration of the home market by imported goods. These statistics only emphasize the situation in a part of the market and it is sad to know that the same penetrations have taken place elsewhere in foodstuffs and other products.

We have also heard calls for protection coming from manufacturers. I submit that protection can only be justified where the competition can be proved to be unfair either by reasons of hidden subsidies or dumping.

Where the competition from overseas arises from either higher production efficiency or better marketing techniques then protection must never be the answer, because if it is applied it can only show the inefficient and protect the lazy.

I consider, Sir, that these advertisements will have done a most useful job if they point out to the home manufacturers the enormous market on the doorstep which, if it is given the goods it wants, will not only save such great sums of overseas currencies but will also be the stepping stone to our own increased exports.

Yours faithfully,
REGINALD W. BLOORE,
Little Court,
Penny Plot,
Lyme Regis,
Dorset.
February 27.

LETTERS TO THE EDITOR

How economic expectations influence the market

From Mr Roy Batchelor and Mr Geoffrey E. Wood

Sir, Roger Opie (February 21) makes two points on which market and nonmarket economists can agree. He also perpetuates a fallacy in his criticism of our description of how expectations affect market behaviour (February 8). At a time when the value of monetary targets and the problems of switching from the efficiency of capital and labour being seriously debated in terms of the effects of inflation expectations on real economic prosperity, we cannot let this pass.

Let us start with points of agreement. First, the authors are right in creating and exploiting transient changes in expectations about gilts prices undoubtedly raise interest rates for short periods above their equilibrium levels. Indeed, our October 1979 Annual Monetary Review contained extensive criticism of such gilt marketing techniques. These tactics explain why minimum lending rate was in November 1979 raised above

its anticipated value of 15-16 per cent, though not why market rates have subsequently followed it upwards.

Second, natural rates of interest and unemployment—the rates consistent with correctly anticipated inflation—are not fixed numbers. Increased unemployment benefits uncertainty caused by erratic monetary policies, and the aggressive use of union monopoly power clearly raised the latter in the 1970s. Actions to improve the efficiency of capital and labour markets will reduce such natural rates. Reflation will not.

Mr Opie is puzzled by our view that market relationships are not destroyed by the effects of expectations about economic policy. We maintain this view because expectations demonstrably have a systematic, predictable, effect on behaviour. There is, for example, a general expectation of an increase in excise duties in the coming Budget. The result is an understandable increase in sales of spirits.

The response of interest rates

to inflation expectations vides another illustration. Opie cites evidence that response is too delayed to explain the current high rates of interest, without noting that the evidence is from another time (1870) and another place (the U States).

These were years when, as well as rose, an economy concerned was vulnerable to external shocks. Today, in the U Kingdom, continuous inflation is the rule, and movements in the sterling exchange rate count the effects of 1 Sea oil—ensure that expectations of monetary policy are very quickly consolidated into interest rates and, in into domestic prices and wages. Yours faithfully,
ROY BATCHELOR,
GEOFFREY E. WOOD,
Centre for Banking and International Finance,
The City University,
Northampton Square,
London EC1V 0HB,
February 26.

'Excess profits' and the clearing banks

From Mr R. G. Opie

Sir, You report (March 4) that the clearing banks are preparing their defence against "excess profits accusations". What follows bankers are: why on earth do they need to defend their profits? Profits are the proper reward for risk-taking, initiative, enterprise and successful competition. I am sure that all your readers will recognize instantly how well these qualities apply to our clearers.

Or perhaps we have underestimated their sense of humour. Increases in profits of a mere 49 per cent and 44 per cent are seen by the general manager of National Westminster as "problem of presentation". A spokesman for Bar-

clays suggests that "other people's poor performance highlights our good results". Has neither of them noticed that the reasons for his "good results" are solely the astronomical interest rates "other people" are having to pay the banks and the Chancellor's policies which use monetary contraction, and hence high rates, as the proximate method of disciplining those "other people"?

I look forward to the bankers playing with our credulity during the coming weeks. Rabbits always behave oddly in the spring.
Yours faithfully,
R. G. OPIE,
New College,
Oxford OX1 3BN.

Diminishing cost of CAP

From Mr Ralph Howell, MP for Norfolk, North (Conservative)

Dear Sir,

A great many people continue to complain of the unbearable cost of our membership of the EEC and of the common agricultural policy in particular.

The following figures, taken from the White Paper—The Government's Expenditure Plans 1980-81—Cmd 7746, November 1979—demonstrate that these claims are false and misleading.

EM AT 1979 SURVEY FIGURES

Year	EEC contributions	EEC receipts	Net
1974/75	18	2210	2426
1975/76	18	2210	2426
1976/77	281	1394	1675
1977/78	632	1068	1700
1978/79	774	896	1670
1979/80	919	986	1905

Therefore the combined expenditure on EEC contributions and support for agriculture, fisheries, food and forestry is expected to be £536m less in 1979/80 than in 1974/75.

There are few other areas of government expenditure where similar savings are forecast.

RALPH HOWELL,
House of Commons,

From Mrs S. M. Liddall

Sir, Dr Robert Bowles (February 19) wishes to remain in Shire Lane, Lyme Regis, and to rebuild his house there, so he is glad that his insurance company forced him to pay premiums on the bases of replacement value.

But I live in a "semi" on a housing estate built in the thirties. The accommodation satisfies my needs, but there are thousands like it in this area of Kent and all I would want in the event of total destruction would be the market value of the property and a cash settlement within, say, two months to enable me to move into a similar house as soon as possible.

Partial destruction is, of course, much more complicated. But the assumption that everything is false; and the older one is, the more ridiculous that assumption becomes. Nevertheless it is a very profitable sale for the companies concerned and, as far as I know, only the Trustee Savings Bank offers a satisfactory alternative.

S. M. LIDDALL,
41 Swaffield Road,
Sevenoaks.

From Mr Reginald W. Bloore

Sir, We have seen during recent weeks a number of advertisements showing the massive penetration of the home market by imported goods. These statistics only emphasize the situation in a part of the market and it is sad to know that the same penetrations have taken place elsewhere in foodstuffs and other products.

We have also heard calls for protection coming from manufacturers. I submit that protection can only be justified where the competition can be proved to be unfair either by reasons of hidden subsidies or dumping.

Where the competition from overseas arises from either higher production efficiency or better marketing techniques then protection must never be the answer, because if it is applied it can only show the inefficient and protect the lazy.

I consider, Sir, that these advertisements will have done a most useful job if they point out to the home manufacturers the enormous market on the doorstep which, if it is given the goods it wants, will not only save such great sums of overseas currencies but will also be the stepping stone to our own increased exports.

Yours faithfully,
REGINALD W. BLOORE,
Little Court,
Penny Plot,
Lyme Regis,
Dorset.
February 27.

Monetarism 'the best guidelines'

From Mr Robert Williams

Sir, As a partner in a California business we are smug from the effect the Federal Reserve money (short-term private loans per cent), I am nevertheless support of a more approach to curbing inflation.

We must recognize the mic nature of an economy develop policies according to the current of the day turn blind eye to the ru "social Darwinism" of Robert barons but this ended when social pre forced improvement in d of the exploited labour One result was more c by central government.

Keynesian economics vided for a new deal i post-depression 1930s al recovery was by no completed at the outbre the Second World War, the war, the same pri have enabled successive ernments to spend their out of inflation; a de which has served its tim is no longer satisfactory period when spare capac the economy—available administrators of the 11 can so longer be relied another approach is n Monetarism offers the guidelines for economy ming in this era of post- ric decay.

Very truly yours,
ROBERT O. WILLIAMS,
Vice-President, Engineer Biomass Corporation,
951, Live Oak Boulevard,
Yuba City,
California 95991,
United States.
March 3.

From Mr Brian H. Ashwin

Sir, Mr Scouller in his of February 13 propos Centre of Excellence? I microelectronics industry fessor Shepherd wrote o centre in Milton Keynes company is moving to Coe in early March and i ting up a centre for edu and information in r. There is no doubt that Theres are urgently ret and that they must offe partial advice to com debating their future u micros.

If the micro does mak impact that we are led I believe will occur, the te me is dramatic than U the industrial revolution must encourage sensible s before it is too late and panies rush in only to i their actions at leisure. Yours faithfully,
BRIAN H. ASHWORTH,
Managing Director,
Computer Aid For Manage Ltd,
155 Great Portland Street,
London W1N 5AD,
February 22.

Educating firm to understand the micro-chip

From Mr Brian H. Ashwin

Sir, Mr Scouller in his of February 13 propos Centre of Excellence? I microelectronics industry fessor Shepherd wrote o centre in Milton Keynes company is moving to Coe in early March and i ting up a centre for edu and information in r. There is no doubt that Theres are urgently ret and that they must offe partial advice to com debating their future u micros.

If the micro does mak impact that we are led I believe will occur, the te me is dramatic than U the industrial revolution must encourage sensible s before it is too late and panies rush in only to i their actions at leisure. Yours faithfully,
BRIAN H. ASHWORTH,
Managing Director,
Computer Aid For Manage Ltd,
155 Great Portland Street,
London W1N 5AD,
February 22.

Educating firm to understand the micro-chip

From Mr Brian H. Ashwin

Sir, Mr Scouller in his of February 13 propos Centre of Excellence? I microelectronics industry fessor Shepherd wrote o centre in Milton Keynes company is moving to Coe in early March and i ting up a centre for edu and information in r. There is no doubt that Theres are urgently ret and that they must offe partial advice to com debating their future u micros.

If the micro does mak impact that we are led I believe will occur, the te me is dramatic than U the industrial revolution must encourage sensible s before it is too late and panies rush in only to i their actions at leisure. Yours faithfully,
BRIAN H. ASHWORTH,
Managing Director,
Computer Aid For Manage Ltd,
155 Great Portland Street,
London W1N 5AD,
February 22.

Educating firm to understand the micro-chip

From Mr Brian H. Ashwin

Sir, Mr Scouller in his of February 13 propos Centre of Excellence? I microelectronics industry fessor Shepherd wrote o centre in Milton Keynes company is moving to Coe in early March and i ting up a centre for edu and information in r. There is no doubt that Theres are urgently ret and that they must offe partial advice to com debating their future u micros.

If the micro does mak impact that we are led I believe will occur, the te me is dramatic than U the industrial revolution must encourage sensible s before it is too late and panies rush in only to i their actions at leisure. Yours faithfully,
BRIAN H. ASHWORTH,
Managing Director,
Computer Aid For Manage Ltd,
155 Great Portland Street,
London W1N 5AD,
February 22.

Educating firm to understand the micro-chip

From Mr Brian H. Ashwin

Sir, Mr Scouller in his of February 13 propos Centre of Excellence? I microelectronics industry fessor Shepherd wrote o centre in Milton Keynes company is moving to Coe in early March and i ting up a centre for edu and information in r. There is no doubt that Theres are urgently ret and that they must offe partial advice to com debating their future u micros.

If the micro does mak impact that we are led I believe will occur, the te me is dramatic than U the industrial revolution must encourage sensible s before it is too late and panies rush in only to i their actions at leisure. Yours faithfully,
BRIAN H. ASHWORTH,
Managing Director,
Computer Aid For Manage Ltd,
155 Great Portland Street,
London W1N 5AD,
February 22.

Staffordshire Potteries (Holdings) Limited



Interim Statement

	Six months ended 31st December (unaudited)	1978	1979	Year to 30.6.79
Group Turnover	7,079	5,762	12,091	
Trading Profit of Group	575	567	1,501	
Net Profit Before Tax	305	458	1,239	
Net Profit After Tax	278	427	1,070	
Interim Dividend per Share	1.13p	1.13p	1.13p	
Earnings per Share	4.92p	7.66p	19.1p	

- The continuing recession in demand for housewares and giftware products at retail level in sectors of the European market coupled with substantial increases in costs has adversely affected margins.
- Sales in North America have advanced by 60% for the period.
- The Board is encouraged by orders received from all markets particularly for new products during the early weeks of 1980.
- The Company is well equipped technically and will continue the drive to expand its market share for Kiln Craft products.

Taunton Vale Industries, acquired in October 1979, is trading profitably and further benefits will begin to accrue later this year.

Copies of the full Interim Report are available from The Secretary, Meir Park, Stoke-on-Trent, ST3 7AA.

PO parcel postings may touch five-year high

Parcel traffic handled by the Post Office will reach a five-year high in the current financial year with inland parcel postings expected to exceed 170 million, the Post Office said yesterday.

Building on the successful base established in the parcels business, the Post Office now believes that it can extend the improvement to the letters service. Parcel postings this year will be 10 million more than in the previous financial year, according to Mr Denis Roberts, managing director. Posts. It will be the best figure for five years.

Four years ago the parcels business in Mr Andrews' 540m and the turnaround has been attributed to a combination of competitive pricing, changed organization, better productivity and vigorous marketing.

According to Mr Roberts, the

Post Office parcels business is now established as the largest carrier in the United Kingdom and is also winning contracts from other carriers in both public and private sectors.

The improvements come at a time when the Post Office is in the throes of a major internal review of its activities in advance of the Government's plans to separate the postal and telecommunications operations. A Bill is expected to be introduced this autumn and the organization's views of the proposed changes are to be submitted to the Government next month.

But already some changes are being implemented and greater efforts in all member states and at the Community level to produce alternative supplies and cut consumption.

It gives a warning that Europe's population must as a whole be able to live on a lower income to the oil producers as long as oil consumption habits are not changed.

After almost a year of operation of the European monetary unit, the Commission notes that the amount of instability in exchange rates between the member states was cut by nearly two thirds.

From Mrs S. M. Liddall

Sir, Dr Robert Bowles (February 19) wishes to remain in Shire Lane, Lyme Regis, and to rebuild his house there, so he is glad that his insurance company forced him to pay premiums on the bases of replacement value.

But I live in a "semi" on a housing estate built in the thirties. The accommodation satisfies my needs, but there are thousands like it in this area of Kent and all I would want in the event of total destruction would be the market value of the property and a cash settlement within, say, two months to

BY THE FINANCIAL EDITOR

Sterling takes the strain

The dollar continued to hold the centre of the stage in financial markets yesterday, making further progress against nearly all major currencies. Rumours of a further sharp increase in the United States discount rate were rife and interest rates in the Euro-dollar market rose sharply, the three and six month rates moving smartly ahead of the comparable sterling rates.

Sterling, however, after a volatile day, finished in relatively good shape and United Kingdom interest rates were, if anything, a touch easier again. Even so, yesterday's further advance in dollar rates certainly adds an extra dimension to the problems facing the domestic authorities. It remains to be seen whether they will have anything to say about the domestic liquidity situation today or wait a few days longer to assess developments on the international front.

Certainly, all the evidence to date suggests that sterling is behaving in a very resilient fashion, but yesterday's balance of payments figures provide a sharp reminder that the increase in non-resident holdings of sterling assets last year was of a size that could make life distinctly uncomfortable were there to be any serious reversal of confidence.

Meanwhile, the latest Department of Industry survey of company liquidity underlines the cash squeeze on manufacturing industry. It shows current financial assets as 71 per cent of current liabilities, the lowest liquidity ratio since mid-1975. In part that must reflect the stage of the cycle — substantial involuntary stockbuilding — but it must still be a cause for concern.

'Shell' Beneath the stock profits

The United States oil majors have already shown the sort of windfall profits they are capable of from the higher oil prices seen in 1979, even though their access to cheaper crude supplies is tempered by domestic price controls. Now the Europeans appear to be putting them in the shade.

Yesterday, the French Total group announced a near five-fold increase in profits and 'Shell' came up with a much better than expected near three-fold rise in its income.

'Shell' has managed to maintain the marked third quarter upturn in profitability into the fourth. With fourth quarter net income rising from £399m the previous year

to £1,003m, the tally for the year goes up from £1,086m to £3,051m, compared with market estimates that went no higher than £2,700m.

What appears to have upset analysts' forecasts has been the way product margins have held up despite the softening of demand and a mild winter. The effect of last year's retroactive Opec price rises also appears to have been underestimated since there is some confusion about how Shell calculates the effect of stock appreciation between the LIFO and FIFO methods of stock valuation. Because realized stock appreciation tends to be rather less when prices are rising, the market seems to have understood the FIFO adjustment.

Meanwhile, stripping out all the usual complications in the fourth quarter — the FIFO adjustment, currency gains and the deferred tax — the addition to shareholders would be some £300m or around 57p a share. But restructuring could be also done differently. And it is not impossible to imagine a scenario where far from splitting up GEC goes for size. Its cash resources could certainly be useful in, for example, the United States even if Monopolies laws leave little room for expansion at home.

Plessey Another dawn

There have been false dawns before, but surely this time Plessey is set to emerge from the profits gloom of the last five years. The market has certainly been moving cautiously towards this view over the last year, and third-quarter figures will not deter the optimists. Boosted by recovery from the strike-hit second-quarter which left interim results a shade down, profits at the nine-month stage are 7.6 per cent ahead at £35.4m despite the absence of a 7m plus associates contribution from the former ICL stake.

More significantly, having rid itself of major losses like Garrard, Plessey has pushed operating profits up 31 per cent to £40m on sales 13 per cent higher at £526m.

A total of £52m pre-tax for the full-year now looks in range which would put the shares, up 2p to 147p yesterday on a p/e ratio of 10 rising to 14 fully-taxed and yielding possibly 6.8 per cent. Further support should be forthcoming given that next year's target could be over £65m.

At the same time it is still not clear whether Plessey on its own can become the truly major force in electronics that its technological spread should justify. The balance sheet is now healthy but funding present expansion in telecommunications and electronic systems particularly in the aerospace field will not leave much room for ploughing cash into risky developments at the high technology end of the industry. But this should not deter investors, given that Plessey, if it becomes stretched for cash, will not want for funds. Rascal has enough of its hands with Decima for the time being, if it ever could have afforded Plessey, but GEC still looms in the background along with IIT's new-quoted United Kingdom arm STC.

GEC

Thoughts for the future

Meanwhile, Hoare Govett, have been putting flesh on General Electric Company's ideas about restructuring the company, possibly by splitting it into independent component parts.

The general idea is that in separate quoted parts GEC might be worth more in stock market terms than the present capitalization of the company. The figures are worth looking at because the Government is attracted by the concept of de-merging and also because in financial and managerial — though not necessarily industrial — terms the operation could be worth doing.

By looking at GEC as six distinct product groups of which Marconi Electronics would be by far the biggest, it is possible to put a market valuation on each by comparing it to similar quoted companies. This would apparently produce a market worth of £1.74 billion which with the £600m of cash in the kitty would give a total of £2.34 billion compared to the current market value of £2.05 billion. The addition to shareholders would be some £300m or around 57p a share. But restructuring could be also done differently. And it is not impossible to imagine a scenario where far from splitting up GEC goes for size. Its cash resources could certainly be useful in, for example, the United States even if Monopolies laws leave little room for expansion at home.

Planning for a nuclear trade balance

A regulated nuclear "balance of trade" between countries building fast reactors and those building conventional thermal reactors would make technical and economic sense, a would conserve uranium and plutonium resources, and would help to minimize the risk of proliferation of nuclear weapons.

This in essence is the message which was given recently in lectures at Salford University and at the Royal Institution, London, by Dr Walter Marshall, deputy chairman of the United Kingdom Atomic Energy Authority. Though the detailed calculations are complicated, the Marshall plan gives a clear guide to the basic processes which will be at the heart of the continuing nuclear debate.

Uranium is used as the fuel in thermal reactors, producing heat and electricity from a controlled chain reaction caused when uranium nuclei are bombarded by neutrons. The process also produces plutonium, and plutonium is needed to start up fast breeder reactors. Though there are only two main reactor types — thermal and fast — variations in the sequence of fuel usage (that is, the fuel cycle) give a total of five basic options.

First, the so-called "once-through" cycle in which spent fuel is removed from the thermal reactor and simply stored without reprocessing. This spent fuel contains both uranium and plutonium, but is treated as waste and retained on site. This is uneconomic, wastes resources and, if many countries and sites are involved, could pose security dangers.

Second, the "reprocessing cycle", in which the spent fuel is sent to a reprocessing plant where the uranium and plutonium are separated out. The uranium is recycled back to an enrichment plant to make new thermal-reactor fuel, and the plutonium is stored.

Third, the "uranium and plutonium can be recycled to provide new fuel for the

thermal reactor, in a process known as "thermal recycle". Fourth, the plutonium obtained from the operation of thermal reactors can be used to launch the operation of a fast reactor.

Fifth, the fast reactor, once launched, is self-sufficient and indeed may make some excess plutonium year by year. Thus it is much more efficient than the thermal reactor.

In the fast reactor, a central core (of mixed uranium-plutonium oxide fuel) is surrounded by a "blanket" of uranium oxide. The plutonium is incinerated in the core; depending on the design, further plutonium may be created (as neutrons escape from the core) in the blanket.

While the incineration of plutonium in the core is inevitable, the production of plutonium in the blanket is optional. Dr Marshall points out. Even when the net effect is a gain and not a loss, the amount of plutonium produced is less than on thermal reactors. In other words, fast breeder reactors do not breed fast; they simply use fast neutrons and breed rather slowly.

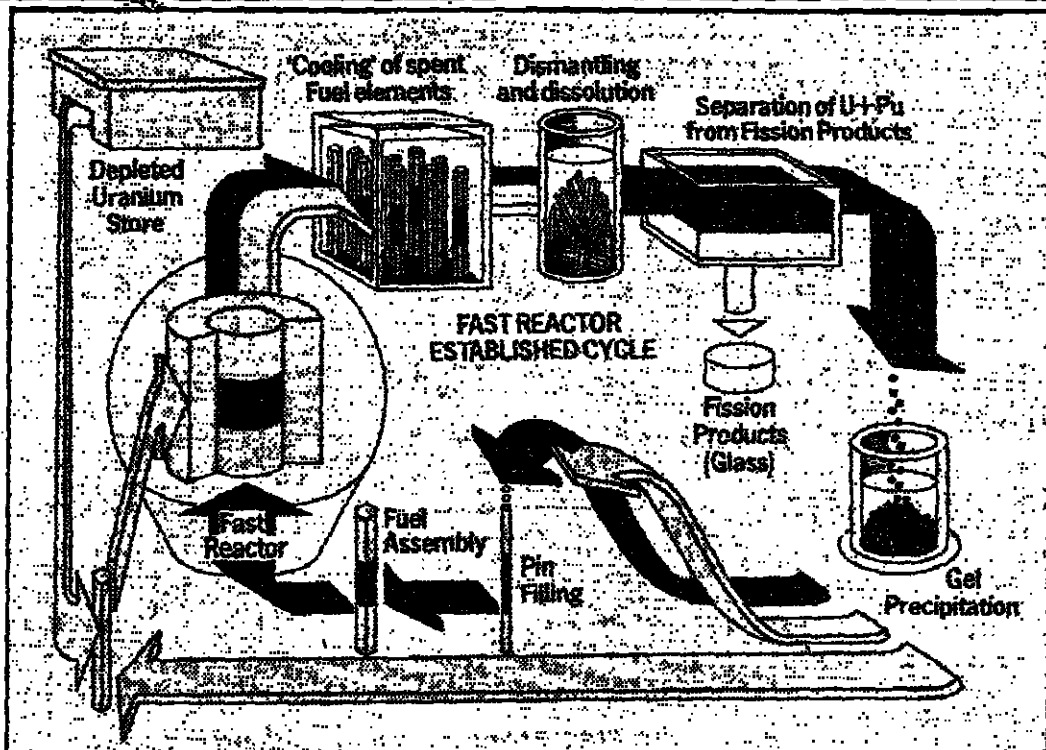
Thus plutonium supplies will be a big limiting factor in deciding how many new fast reactors can be installed. This potential bottleneck in plutonium supplies makes an international trade in spent fuel attractive on several grounds. "Thermal reactor countries would sell spent fuel for which the fast reactor countries" for fair payment. This would give the selling countries an economic benefit and would conserve energy resources, both from the reuse of the spent fuel and by making the fast reactor countries more self-sufficient in those countries without a plutonium technology to develop one.

Dr Marshall admits that proliferation is a political rather than a technical issue. But by working towards this sort of balance of nuclear trade, he argues, a framework can be set up which will rely not on the

enforced denial of technology but on voluntary self-interest. The scheme assumes that a number of countries will set up big reprocessing plants and that an economical service to the rest of the world. This enables trade to take place in spent thermal reactor fuel and in fast reactor fuel assemblies. Once these two steps have been taken, there is a danger that every government will strive for nuclear power independence instead of nuclear power interdependence.

The Marshall plan will depend for its success on finding a fair price for spent thermal reactor fuel. This price will be related to the economic advantage of the fast reactor over the thermal reactor for any given uranium ore price.

Dr Marshall's thesis is concerned with the international picture and not with any decision on whether to build fast reactors. There is no point in launching fast reactors if it is uneconomical to do so.



Once the operation of a fast reactor has been established, the fuel cycle (above) includes the separation of uranium and plutonium from the spent fuel, vitrification of waste products in glass, and refabrication of the uranium and plutonium into new fuel assemblies.

Agency safeguards on spent fuel and plutonium, and IAEA-approved arrangements for the physical protection of the plutonium.

There is also a strong case for the international management and supervision of separated plutonium throughout the world. The transfer of materials must be carefully supervised and monitored from reactor to reprocessing plant, to fabrication plant and back to the reactor.

This trade would also have the effect of concentrating the use of plutonium voluntarily into a few countries, which would be valuable in helping to minimize the risk of nuclear weapons proliferation. It would no longer be in the economic self-interest of those countries without a plutonium technology to develop one.

Dr Marshall admits that proliferation is a political rather than a technical issue. But by working towards this sort of balance of nuclear trade, he argues, a framework can be set up which will rely not on the

enforced denial of technology but on voluntary self-interest. The scheme assumes that a number of countries will set up big reprocessing plants and that an economical service to the rest of the world. This enables trade to take place in spent thermal reactor fuel and in fast reactor fuel assemblies. Once these two steps have been taken, there is a danger that every government will strive for nuclear power independence instead of nuclear power interdependence.

The Marshall plan will depend for its success on finding a fair price for spent thermal reactor fuel. This price will be related to the economic advantage of the fast reactor over the thermal reactor for any given uranium ore price.

Dr Marshall's thesis is concerned with the international picture and not with any decision on whether to build fast reactors. There is no point in launching fast reactors if it is uneconomical to do so.

The Marshall plan will depend for its success on finding a fair price for spent thermal reactor fuel. This price will be related to the economic advantage of the fast reactor over the thermal reactor for any given uranium ore price.

Dr Marshall's thesis is concerned with the international picture and not with any decision on whether to build fast reactors. There is no point in launching fast reactors if it is uneconomical to do so.

arrangements also will be required to ensure that plutonium and spent fuel cannot be diverted undetected from civil nuclear programmes.

"We have the time for them to evolve properly", Dr Marshall concludes, "but, unless the role of the fast reactor is better understood than it is at present, there is a danger that every government will strive for nuclear power independence instead of nuclear power interdependence."

The Marshall plan will depend for its success on finding a fair price for spent thermal reactor fuel. This price will be related to the economic advantage of the fast reactor over the thermal reactor for any given uranium ore price.

Dr Marshall's thesis is concerned with the international picture and not with any decision on whether to build fast reactors. There is no point in launching fast reactors if it is uneconomical to do so.

The Marshall plan will depend for its success on finding a fair price for spent thermal reactor fuel. This price will be related to the economic advantage of the fast reactor over the thermal reactor for any given uranium ore price.

Kenneth Owen

David Blake

Where will Mrs Thatcher wield the axe this time?

One of the most widely believed myths about the economy is that during the 1970s we increased public spending and services by the public sector as a whole is lower now than it was in the financial year 1973-74, before Labour came into office committed to a dramatic increase in public spending. The only significant area of growth has been the payment of transfers (such as council rents).

Yet in terms of assessing the direct economic impact of the public sector, it is the consumption of goods and services which is significant. This rose to over 30 per cent in 1974-75 but has been declining since. The very sharp dip recorded in 1977-78 was due in part to dislocations caused by the treatment of lending to nationalized industries.

Capital expenditure has fallen very dramatically to a level where there must be serious doubts about whether it would not have been more effective in the long run to try to shift resources from current consumption to capital spending. But even cuts in current consumption are clearly hard to achieve. Many of the large programmes in the public sector, such as health and higher education, are provided privately in some countries.

The American experience is that even when people have to pay for services as they use them, the demand for things such as health care has risen much more sharply in recent years than for other things in the economy. So in the United Kingdom, where the health service is publicly funded, we would expect to see a rising proportion of national output going on this sector and, as a result, a growing share of output absorbed by the public sector as a whole.

Even if only current consumption is taken into account, that has not happened. After a short sharp increase in the mid-1970s, current consumption by the total public sector as a proportion of national output has drifted downwards.

Within the global total of public consumption, there has been a quite remarkable shift. The past five years have been marked by a series of cuts which have had a particular impact on government capital programmes.

The reason for this is plain. It is much easier to avoid building a new hospital than it is to close down an old one with the consequent problem of redundancies. But the cumulative effect of these changes over the years has been to distort the pattern of public spending.

Capital expenditure has fallen very dramatically to a level where there must be serious doubts about whether it would not have been more effective in the long run to try to shift resources from current consumption to capital spending.

But even cuts in current consumption are clearly hard to achieve. Many of the large programmes in the public sector, such as health and higher education, are provided privately in some countries.

The American experience is that even when people have to pay for services as they use them, the demand for things such as health care has risen much more sharply in recent years than for other things in the economy. So in the United Kingdom, where the health service is publicly funded, we would expect to see a rising proportion of national output going on this sector and, as a result, a growing share of output absorbed by the public sector as a whole.

Even if only current consumption is taken into account, that has not happened. After a short sharp increase in the mid-1970s, current consumption by the total public sector as a proportion of national output has drifted downwards.

So the task of a government trying to cut, as opposed to holding down the level of public spending is likely to be very difficult. When in opposition the stated goal was to bring down total spending gradually to the 1977-78 level.

According to the Government White Paper published in November, spending during the current financial year is running about 6 per cent above that level, or just over £4,000m more in money terms.

Where can cuts of this order be achieved? It is difficult to see them being found by reducing capital spending, since there is very little of that already. The one obvious possible exception to this is housing, where sharp reductions in the investment programme do seem to have been agreed in Cabinet.

There must also be doubts about whether it will really prove possible to achieve substantial cuts in current consumption.

One of the most striking features of total government spending on consumption is that its share of national output in 1979 was very little changed (23.3 per cent compared to 22.2 per cent) from the level in 1970. These figures exclude nationalized industries and other public corporations, which are included in the table. It is a measure of the difficulty the Government has had in agreeing on where to cut spending that it seems to be planning to set such tight cash limits on its programmes as to impose cuts of around £1,000m on the plans inherited from Labour.

This was understandable. By

the time of the Budget in June it was too late to change the plans of the previous Government for 1979-80 and the new administration understandably felt it had to keep its pledges to curb public spending.

But the new cash limits are not being applied to plans inherited from Labour. They are being used to cut programmes already worked out, not once but twice by the present Cabinet. If they could not find ways of cutting the programmes, it is difficult to see how Civil Service administrators should be expected to do so.

Where could substantial reductions in the total level of public spending come? The answer, realistically, has to be in transfers to pensioners, other subsidies if they are to come at all.

This was recognised by the Treasury, which pressed for a decision to break the link which guarantees that a whole range of benefits will go up in line with pay or prices. (A first step along this road is the change in the terms of pensions indexation, which in future are only guaranteed to rise as sharply as prices.)

Cutting down on subsidies and other transfers has a strong appeal to those who would like to see greater reliance on the market: it could be combined with the increased reliance on charges implied by the decision to index prescription charges. But it is a long way from the belief that the public sector had boosted its size sharply and was easy to prune. The squeals of agony over every change in its spending plans which the Government is bringing forward show what a difficult task that cutting will be.

the time of the Budget in June it was too late to change the plans of the previous Government for 1979-80 and the new administration understandably felt it had to keep its pledges to curb public spending.

But the new cash limits are not being applied to plans inherited from Labour. They are being used to cut programmes already worked out, not once but twice by the present Cabinet. If they could not find ways of cutting the programmes, it is difficult to see how Civil Service administrators should be expected to do so.

Where could substantial reductions in the total level of public spending come? The answer, realistically, has to be in transfers to pensioners, other subsidies if they are to come at all.

This was recognised by the Treasury, which pressed for a decision to break the link which guarantees that a whole range of benefits will go up in line with pay or prices. (A first step along this road is the change in the terms of pensions indexation, which in future are only guaranteed to rise as sharply as prices.)

Cutting down on subsidies and other transfers has a strong appeal to those who would like to see greater reliance on the market: it could be combined with the increased reliance on charges implied by the decision to index prescription charges. But it is a long way from the belief that the public sector had boosted its size sharply and was easy to prune. The squeals of agony over every change in its spending plans which the Government is bringing forward show what a difficult task that cutting will be.

Business Diary: The price of peace • Gilchrist going East?

London's poshest estate agents are enjoying a wave of interest from Iranian exiles seeking new homes. Most come not from Iran but from the United States where the embassy bombing episode is spawning such charming artefacts as "Nuke The Iranians" tee-shirts now popular in California. The Hampton & Sons, the Mayfair agents report at least one approach a day by telephone, a person, or by telex from a disoriented Iranian. Sometimes one property is not enough. Hampton equity partner, Hamilton Verschöyle, tells Business Diary: "They often say something else for their friends as well. One client is now talking about five properties, each in the £500,000 bracket."

According to Verschöyle, the newcomers are moving out of the United States not only because of a little local difficulty here. "I think they prefer London — it's more like a club or them," he says.

Still, no one can complain they are taking homes away from the natives. One development of some interest to the canny DPs, as well as the customary flock of Middle Easterners and the occasional Greek, is South Lodge, in Knightsbridge where 26 houses are being built: these start at £50,000. Were there any British buyers? We asked Verschöyle raised a polite eyebrow: it was obviously a silly question.

The Shah led the way to the United States just before the revolution when he and his clan bought into Las Vegas. Similarly, circumspect objects followed him.

Sir Keith Joseph, the Secretary of State for Industry, and his mandarins have red faces at the moment over their inability to find someone to succeed Admiral Sir Anthony Griffin as chairman of the hugely subsidised British shipbuilders one of the few remaining private shipbuilders, however, appears to have no trouble at all in recruiting a top man from British Shipbuilders. Sir Anthony has been notified quietly that the Government would be ever so pleased if he would accept a short extension to his present contract which expires this month — and the signs are that he will do his duty. Meanwhile one of the BS old boys has, limited, I hear, a senior post with Sir John Rix's Vesper group now locked in bitter battle with the Government over the failure to secure compensation payments.

An Irish brewery, Guinness, is using an English pub game, darts, to promote its wares in one of Europe's most hotly contested markets, West Germany. Germans seem to be taking to the sport with pre-dictable specificity. More than 250 clubs have been set up in pubs up and down the country and there is now a national championship. Reports from wholesalers of sporting goods in continental Europe suggest that British exports of darts and allied equipment are on the up. It could all go the way of the skateboard — into oblivion — but for the moment there is at least one small part of British manufacturing industry that doesn't have to worry about the strength of the pound.



Shipbuilder Archie Gilchrist: missing, believed hired.

The word on the bridge is that Archie Gilchrist, former chief executive of Govan Shipbuilders sacked by BS last year, is about to leave Scotland for the Far East to take on a senior post in the Vesper organization in Singapore. Gilchrist, who was tied off by his treatment at the hands of the BS board, was said yesterday to be overseas. In Singapore, I presume.

Philippe Guérin (right), financial director of Moët-Hennessy, was in town yesterday for the appointment of Patrick Forbes, MD of Moët & Chandon (London) as regional coordinator of M-H's British interests. I suggested a Scotch to go with the champagne and the cognac. Guérin gave a Gallic shrug; he'd been offered Highland Distilleries, blenders of The Famous Grouse, at the time of the Hiram Walker bid but said "Non". M.H. he says, already finances stocks of 150 million bottles of maturing booze and does not need a whisky chaser. He may go for a French perfume house to complement the Dior and RoC interests.

Now that British Steel is over its £450m spending limit because of the strike, perhaps the corporation may consider following the example of the French to raise extra cash.

The French steel industry, too, is pruning itself down to the essentials to face the future, and a lot of modern mills and plant have been scrapped. Well, two years ago a team of Chinese steelmen toured Europe looking for plants to buy, only to return home dejected.

Earlier this year another Chinese mission again set out and scoured the market in America, Japan and France. The Chinese have now taken an option on parts of three second-hand French plants. The French companies will dismantle the plants, transport them to China and re-erect them in working order. Honourable Bill Sirs, and Sir Charles Villiers, please note.

Whereas the Mini is really a town runabout, the Metro is conceived as a family car that will be more comfortable for longer runs. It is a five-seater. The back seat can take three, and is divided so a single back seat will let down as will the remaining two-thirds, or all three places.

For David Baché, the forthcoming launch this October of the new Mini Metro will mark just as much of a high — or a low — in his career as it does in the fortunes of British Leyland.

Baché is BL's spring director and he is the man to whom it has fallen to style the Metro, the new Mini-plus car upon which much of BL's hopes reside.

Baché it was who styled the 3-litre Rover of the mid-50s, and that other BL classic, the Range Rover. He does not have the influence that the late Alec Issigonis had over the production of the Mini, but he is nonetheless a key figure in the success or otherwise of the Metro — the first visible fruits in BL's car division of all the public money that has gone into the group in recent years.

Metaphor by the way, will complement rather than replace the Mini: it will be a hatchback, with bigger wheels and more room inside.

I am continually edited by British Business, the weekly publication of the Department of Trade and Industry — and never more so than this week, when the paper contains advertisements from a car hire company extolling its German Daimler limousines and Mercedes saloons.

Ross Davies

DONALD MACPHERSON GROUP LIMITED

Year Ended 28 October 1979

- Sales £75,855,000 — up 16%
- Profit before tax £4,841,000 — up 19%
- Dividend 4.2p — up 43%
- Debt to shareholders funds — 23%
- Fifth consecutive year of profit growth
- Improved profit levels in most sectors

Suppliers of high technology coatings to manufacturing industries, materials and building accessories for the trade and DIY markets and the COVER PLUS range of paint products.

Copies of the Annual Report and Accounts are available from The Secretary, Donald Macpherson Group Ltd., Three Quays, Tower Hill, London EC3R 6EL.



6 Forward bargains are permitted on two previous days

1550

PERSONAL CHOICE

Broadcasting Guide

Edited by Peter Davalle

TELEVISION

BBC 1

6.40 am Open University: Flight failures; 7.05 Engineering mechanics; 7.30 Stereochemistry. Close down at 7.55.

9.05 For Schools, Colleges: Treffpunkt Deutschland; 9.25 Look and Read; 10.15 Maths-in-a-Box (racing and pacing); 10.35 Going to Work (hops, restaurants); 11.00 Hyn o Fyd (for Welsh viewers).

11.25 You and Me: I'm the King of the Castle; 11.40 For Schools, Colleges: Everyday maths; 12.05 Your Own Business (help and self help); Closedown at 12.30.

12.45 News and weather.

1.00 Pebble Mill at One: Magnus Fyke envisages life in the year 2030, and there's a preview of the Broadcasting Press Guild's nine events for 1980. In the studio, guild president Rosalee Horner.

1.45 Mister Men: Mr Noisy and Mr Sneeze (r).

2.02 Schools, Colleges: Why prejudice? (Young Londoners examine racial prejudice); 2.25 A Good Job with Prospects (child aviation).

3.20 Pabot Y Cym: Welsh songs.

3.55 Play School: Kathy Squires' story Desmond Davis's Dance; 4.20 Roobarb: story told by Richard Briers; 4.30 Jackanory: Bright Fur, John reads The Weathermakers, by John Farinwood; 4.45 Taran and the Knights of Nimmer (r); 5.10 Rambo: New series; 5.15 The funny spooks. Today, a kind of Slav Mary Poppins joins the spectral group; 5.35 Paddington: The story of a Bear in Hot Water.

5.40 News; with Kenneth Kendall.

5.55 Nationwide.

6.00 Young Maverick: American period drama series. Ben (Charles Frank) turns Neil's cousin into a prizefighter to beat some con men.

6.10 Butterflies: Repeat showing of the Wendy Craig domestic comedies with their heart in the right place.

6.20 Breakaway: Episode 3 of the Francis Durbridge thriller about the hunt for a girl's murderer. Starring Martin Jarvis as the detective.

6.50 Points of View: Bary Took comments on a longer letters.

7.00 Since last week, a longer programme, and a national one, too.

9.00 News with Richard Baker.

9.25 The Eddie Caplan Mysteries: A psychiatric patient escapes from hospital, and a man dies as a result. Eddie (Vincent Baggett) investigates.

10.15 The Fall and Rise of Reginald Perrin: Repeat showing of the Leonard Rossiter comedy which he is head of a commune.

10.45 News headlines.

10.50 Film: One of Those Things (1967). Drama. Roy Dotrice is the businessman involved in a hit-and-run accident. Judy Geeson is the girl who tries to blackmail him.

1.40 The Archers.

2.00 News.

2.05 Woman's Hour.

3.00 News.

3.02 Listen Vith Mother.

3.15 Play: Pope Joan Lives, by Bruce Stewart.

3.20 Will: The Girl from Lemnigrad.

4.40 Preview.

4.45 Story: Miriam and the Production Factor.

5.55 Weather.

6.00 News.

6.30 Going Places.

6.40 News.

7.05 The Archers.

7.20 Pick of the Week.

8.10 Profile.

8.20 Any Questions?

9.15 Letter From America.

9.30 Kaleidoscope.

10.00 The World Tonight.

10.40 News.

11.10 A Book at Bedtime.

11.15 Financial World Tonight.

11.30 Today in Parliament.

11.45 News Time Out of Season.

12.00 News.

12.15-12.23 am Weather.

BBC 2

6.40 am Open University: Calling the Tune; 7.05 Barth Materials; 7.30 Mining. Closedown at 7.55.

11.00 Play School: Same as BBC 1.

3.55 Closedown at 11.25.

4.50 Open University: Beyond the Edge; 5.15 Play School; 5.40 Flash Gordon: Tournament of Death. Episode 8 of the old Hollywood serial. Flash fights the dread orangutan monster.

6.00 Monkey Old children's fairy tale about four oddly assorted chums, bewitchingly dubbed into English from the original Japanese.

6.45 Delta Smith's Cookery Course: The joys of smoked fish including mackerel and kipper.

7.10 Gardeners' World: New series. In this series, gardeners and their plants and picks up his clubs to join former England cricket captain.

THAMES

6.40 am Open University: Botanic Man (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

11.55 Caravan Time. 12.00 A Handful of Songs; with Mary Morgan and Keith Field. 12.10 Once Upon a Time: The story is the Jay Bird and the Peacock.

12.30 pm The Television Programme: Peter Field examines the way that TV handles news. Interview with news reader Peter Sissons and ITN editor-in-chief David Nicholson.

1.00 News; 1.20 Thames News.

1.30 Together: Tales of Stat dwellers. Rush-hush over the flu outbreak.

2.00 After Noon: Pina; Edward Heath, a member of the Brant Commission which reported on the problems of the developed and developing world.

2.30 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

2.50 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

story Desmond Davis's Dance; 4.20 Roobarb: story told by Richard Briers; 4.30 Jackanory: Bright Fur, John reads The Weathermakers, by John Farinwood; 4.45 Taran and the Knights of Nimmer (r); 5.10 Rambo: New series; 5.15 The funny spooks. Today, a kind of Slav Mary Poppins joins the spectral group; 5.35 Paddington: The story of a Bear in Hot Water.

5.40 News; with Kenneth Kendall.

5.55 Nationwide.

6.00 Young Maverick: American period drama series. Ben (Charles Frank) turns Neil's cousin into a prizefighter to beat some con men.

6.10 Butterflies: Repeat showing of the Wendy Craig domestic comedies with their heart in the right place.

6.20 Breakaway: Episode 3 of the Francis Durbridge thriller about the hunt for a girl's murderer. Starring Martin Jarvis as the detective.

6.50 Points of View: Bary Took comments on a longer letters.

7.00 Since last week, a longer programme, and a national one, too.

9.00 News with Richard Baker.

9.25 The Eddie Caplan Mysteries: A psychiatric patient escapes from hospital, and a man dies as a result. Eddie (Vincent Baggett) investigates.

10.15 The Fall and Rise of Reginald Perrin: Repeat showing of the Leonard Rossiter comedy which he is head of a commune.

10.45 News headlines.

10.50 Film: One of Those Things (1967). Drama. Roy Dotrice is the businessman involved in a hit-and-run accident. Judy Geeson is the girl who tries to blackmail him.

1.40 The Archers.

2.00 News.

2.05 Woman's Hour.

3.00 News.

3.02 Listen Vith Mother.

3.15 Play: Pope Joan Lives, by Bruce Stewart.

3.20 Will: The Girl from Lemnigrad.

4.40 Preview.

4.45 Story: Miriam and the Production Factor.

5.55 Weather.

6.00 News.

6.30 Going Places.

6.40 News.

7.05 The Archers.

7.20 Pick of the Week.

8.10 Profile.

8.20 Any Questions?

9.15 Letter From America.

9.30 Kaleidoscope.

10.00 The World Tonight.

10.40 News.

11.10 A Book at Bedtime.

11.15 Financial World Tonight.

11.30 Today in Parliament.

11.45 News Time Out of Season.

12.00 News.

12.15-12.23 am Weather.

monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

11.55 Caravan Time. 12.00 A Handful of Songs; with Mary Morgan and Keith Field. 12.10 Once Upon a Time: The story is the Jay Bird and the Peacock.

12.30 pm The Television Programme: Peter Field examines the way that TV handles news. Interview with news reader Peter Sissons and ITN editor-in-chief David Nicholson.

1.00 News; 1.20 Thames News.

1.30 Together: Tales of Stat dwellers. Rush-hush over the flu outbreak.

2.00 After Noon: Pina; Edward Heath, a member of the Brant Commission which reported on the problems of the developed and developing world.

2.30 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

2.50 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

LONDON WEEKEND

7.00 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

7.30 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

SITUATIONS WANTED

ACCOUNTANT/BOOKKEEPER. Available for day work. All types of accounts. 10 years experience. 01-234 5678.

PUBLIC NOTICES

ESSEX AND KENT COUNTY COUNCILS. DARTFORD TUNNEL. Proposed increase in tolls. Notice is hereby given that the Essex and Kent County Councils are considering an increase in the toll charged for the Dartford Tunnel.

PUBLIC NOTICES

CENTRAL ELECTRICITY GENERATING BOARD. NOTICE OF AN APPLICATION. The Central Electricity Generating Board is considering an application for a new power station.

LOCAL AUTHORITY BILLS

NOTICE is hereby given that the following bills have been introduced in the House of Commons.

LEGAL NOTICES

THE COMPANIES ACTS 1948-1979. Notice is hereby given that the following companies have been struck off the register.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RADIO

Radio 4

6.00 am News Briefing.

6.10 Farming Today.

7.00 8.00 News.

7.30 8.30 Headlines.

8.35 Yesterday in Parliament.

9.05 Desert Island Discs.

9.45 Enquire Within.

10.00 News.

10.05 From Our Own Correspondent.

10.30 Daily Service.

10.45 Story Time.

11.00 News.

11.05 The Countryside in Early Spring.

11.50 Bird of the Week.

12.00 News.

12.02 pm You and Yours.

12.27 My Music.

11.40 Weather.

1.00 The World at One.

1.40 The Archers.

2.00 News.

2.05 Woman's Hour.

3.00 News.

3.02 Listen Vith Mother.

3.15 Play: Pope Joan Lives, by Bruce Stewart.

3.20 Will: The Girl from Lemnigrad.

4.40 Preview.

4.45 Story: Miriam and the Production Factor.

5.55 Weather.

6.00 News.

6.30 Going Places.

6.40 News.

7.05 The Archers.

7.20 Pick of the Week.

8.10 Profile.

8.20 Any Questions?

9.15 Letter From America.

9.30 Kaleidoscope.

10.00 The World Tonight.

10.40 News.

11.10 A Book at Bedtime.

11.15 Financial World Tonight.

11.30 Today in Parliament.

11.45 News Time Out of Season.

12.00 News.

12.15-12.23 am Weather.

Regions

6.40 am Open University: Calling the Tune; 7.05 Barth Materials; 7.30 Mining. Closedown at 7.55.

11.00 Play School: Same as BBC 1.

3.55 Closedown at 11.25.

4.50 Open University: Beyond the Edge; 5.15 Play School; 5.40 Flash Gordon: Tournament of Death. Episode 8 of the old Hollywood serial. Flash fights the dread orangutan monster.

6.00 Monkey Old children's fairy tale about four oddly assorted chums, bewitchingly dubbed into English from the original Japanese.

6.45 Delta Smith's Cookery Course: The joys of smoked fish including mackerel and kipper.

7.10 Gardeners' World: New series. In this series, gardeners and their plants and picks up his clubs to join former England cricket captain.

THAMES

6.40 am Open University: Botanic Man (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

11.55 Caravan Time. 12.00 A Handful of Songs; with Mary Morgan and Keith Field. 12.10 Once Upon a Time: The story is the Jay Bird and the Peacock.

12.30 pm The Television Programme: Peter Field examines the way that TV handles news. Interview with news reader Peter Sissons and ITN editor-in-chief David Nicholson.

1.00 News; 1.20 Thames News.

1.30 Together: Tales of Stat dwellers. Rush-hush over the flu outbreak.

2.00 After Noon: Pina; Edward Heath, a member of the Brant Commission which reported on the problems of the developed and developing world.

2.30 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

2.50 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

LONDON WEEKEND

7.00 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

7.30 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

SITUATIONS WANTED

ACCOUNTANT/BOOKKEEPER. Available for day work. All types of accounts. 10 years experience. 01-234 5678.

PUBLIC NOTICES

ESSEX AND KENT COUNTY COUNCILS. DARTFORD TUNNEL. Proposed increase in tolls. Notice is hereby given that the Essex and Kent County Councils are considering an increase in the toll charged for the Dartford Tunnel.

PUBLIC NOTICES

CENTRAL ELECTRICITY GENERATING BOARD. NOTICE OF AN APPLICATION. The Central Electricity Generating Board is considering an application for a new power station.

LOCAL AUTHORITY BILLS

NOTICE is hereby given that the following bills have been introduced in the House of Commons.

LEGAL NOTICES

THE COMPANIES ACTS 1948-1979. Notice is hereby given that the following companies have been struck off the register.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RADIO

Radio 4

6.00 am News Briefing.

6.10 Farming Today.

7.00 8.00 News.

7.30 8.30 Headlines.

8.35 Yesterday in Parliament.

9.05 Desert Island Discs.

9.45 Enquire Within.

10.00 News.

10.05 From Our Own Correspondent.

10.30 Daily Service.

10.45 Story Time.

11.00 News.

11.05 The Countryside in Early Spring.

11.50 Bird of the Week.

12.00 News.

12.02 pm You and Yours.

12.27 My Music.

11.40 Weather.

1.00 The World at One.

1.40 The Archers.

2.00 News.

2.05 Woman's Hour.

3.00 News.

3.02 Listen Vith Mother.

3.15 Play: Pope Joan Lives, by Bruce Stewart.

3.20 Will: The Girl from Lemnigrad.

4.40 Preview.

4.45 Story: Miriam and the Production Factor.

5.55 Weather.

6.00 News.

6.30 Going Places.

6.40 News.

7.05 The Archers.

7.20 Pick of the Week.

8.10 Profile.

8.20 Any Questions?

9.15 Letter From America.

9.30 Kaleidoscope.

10.00 The World Tonight.

10.40 News.

11.10 A Book at Bedtime.

11.15 Financial World Tonight.

11.30 Today in Parliament.

11.45 News Time Out of Season.

12.00 News.

12.15-12.23 am Weather.

Regions

6.40 am Open University: Calling the Tune; 7.05 Barth Materials; 7.30 Mining. Closedown at 7.55.

11.00 Play School: Same as BBC 1.

3.55 Closedown at 11.25.

4.50 Open University: Beyond the Edge; 5.15 Play School; 5.40 Flash Gordon: Tournament of Death. Episode 8 of the old Hollywood serial. Flash fights the dread orangutan monster.

6.00 Monkey Old children's fairy tale about four oddly assorted chums, bewitchingly dubbed into English from the original Japanese.

6.45 Delta Smith's Cookery Course: The joys of smoked fish including mackerel and kipper.

7.10 Gardeners' World: New series. In this series, gardeners and their plants and picks up his clubs to join former England cricket captain.

THAMES

6.40 am Open University: Botanic Man (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

11.55 Caravan Time. 12.00 A Handful of Songs; with Mary Morgan and Keith Field. 12.10 Once Upon a Time: The story is the Jay Bird and the Peacock.

12.30 pm The Television Programme: Peter Field examines the way that TV handles news. Interview with news reader Peter Sissons and ITN editor-in-chief David Nicholson.

1.00 News; 1.20 Thames News.

1.30 Together: Tales of Stat dwellers. Rush-hush over the flu outbreak.

2.00 After Noon: Pina; Edward Heath, a member of the Brant Commission which reported on the problems of the developed and developing world.

2.30 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

2.50 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

LONDON WEEKEND

7.00 The Muppet Show: The American singer Andy Williams arrives among the puppets and some talking chairs.

7.30 Play: Your Cards Right: The game which is now becoming monotonously predictable, through no fault of the hard-working Mr. (David Bellamy); 9.57 Stop, Look, Listen (Leather); 10.10 World (farming); 10.27 It's Your Future (trading unions); 10.48 About Books (English dialects); 11.10 Reading with Lenny; 11.21 Leapfrog (maths); 11.39 Believe it or Not (views of freedom).

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

SITUATIONS WANTED

ACCOUNTANT/BOOKKEEPER. Available for day work. All types of accounts. 10 years experience. 01-234 5678.

PUBLIC NOTICES

ESSEX AND KENT COUNTY COUNCILS. DARTFORD TUNNEL. Proposed increase in tolls. Notice is hereby given that the Essex and Kent County Councils are considering an increase in the toll charged for the Dartford Tunnel.

PUBLIC NOTICES

CENTRAL ELECTRICITY GENERATING BOARD. NOTICE OF AN APPLICATION. The Central Electricity Generating Board is considering an application for a new power station.

LOCAL AUTHORITY BILLS

NOTICE is hereby given that the following bills have been introduced in the House of Commons.

LEGAL NOTICES

THE COMPANIES ACTS 1948-1979. Notice is hereby given that the following companies have been struck off the register.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RENTALS

KNIGHTSBRIDGE. Delightful house with 3 bedrooms, 2 bathrooms, 2 living rooms, 2 kitchens, 2 dining rooms, 2 sitting rooms, 2 study rooms, 2 office rooms, 2 library rooms, 2 music rooms, 2 gym rooms, 2 swimming pools, 2 tennis courts, 2 golf courses, 2 horse stables, 2 car garages, 2 boat houses.

RADIO

Radio 4

6.00 am News Briefing.

6.10 Farming Today.

7.00 8.00 News.

7.30 8.30 Headlines.

8.35 Yesterday in Parliament.

9.05 Desert Island Discs.

9.45 Enquire Within.

10.00 News.

10.05 From Our Own Correspondent.

10.30 Daily Service.

10.45 Story Time.

11.00 News.

11.05 The Countryside in Early Spring.

11.50 Bird of the Week.

12.00 News.

12.02 pm You and Yours.

12.27 My Music.

11.40 Weather.

1.00 The World at One.

1.40 The Archers.

2.00 News.

2.05 Woman's Hour.

3.00 News.

3.02 Listen Vith Mother.

3.15 Play: Pope Joan Lives, by Bruce Stewart.

3

